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U.S. to Act On Trade Practices

Grants Would Subsidize Sales Of Equipment

By Oswald Johnson
Los Angeles Times Service

WASHINGTON — The Reagan administration has stepped up its policy of retaliating against trading practices it considers unfair by offering aid grants in conjunction with sales contracts to Third World countries that buy U.S. equipment. The Export-Import Bank said Wednesday it would offer the aid grants in conjunction with six transactions valued at \$250 million in potential sales.

The transactions involve heavy transportation equipment, electric power generators and computers that have been offered for sale to unidentified countries in Africa, Asia and Latin America.

Officials of the bank, which aids in financing the export of U.S. goods and services, said the grants were designed primarily to retaliate against similar practices by France, Italy and Belgium.

Those nations have been resisting U.S. efforts to win agreement among industrial countries to reduce the practice of giving aid in return for sales contracts, which the administration regards as a "predatory trading practice."

"Our proposed actions are targeted against countries that are hampering the progress of international negotiations to eliminate these predatory practices," William H. Draper 3d, chairman of the Ex-Im Bank, said Wednesday.

Mr. Draper told a House Banking subcommittee last week that the aim of the retaliatory measures would be to win contracts for U.S. suppliers or make it "cost the competition a lot more to keep the business, and that should make them more willing to come to the bargaining table."

Last month, the Reagan administration sent Congress a package of trade actions that included \$300 million in foreign aid and low-cost credit. Officials said the grants announced Wednesday would be funded under that proposal.

The U.S. trade deficit, which is expected to reach a record \$150 billion in 1985, has brought a wave of protectionist legislation in Congress. The administration proposal, which also includes a request for laws against dumping of goods produced abroad, represents an attempt to head off new tariffs and quotas.

The administration has also moved to reduce the value of the dollar, which is the factor most responsible for the growth of the trade deficit.

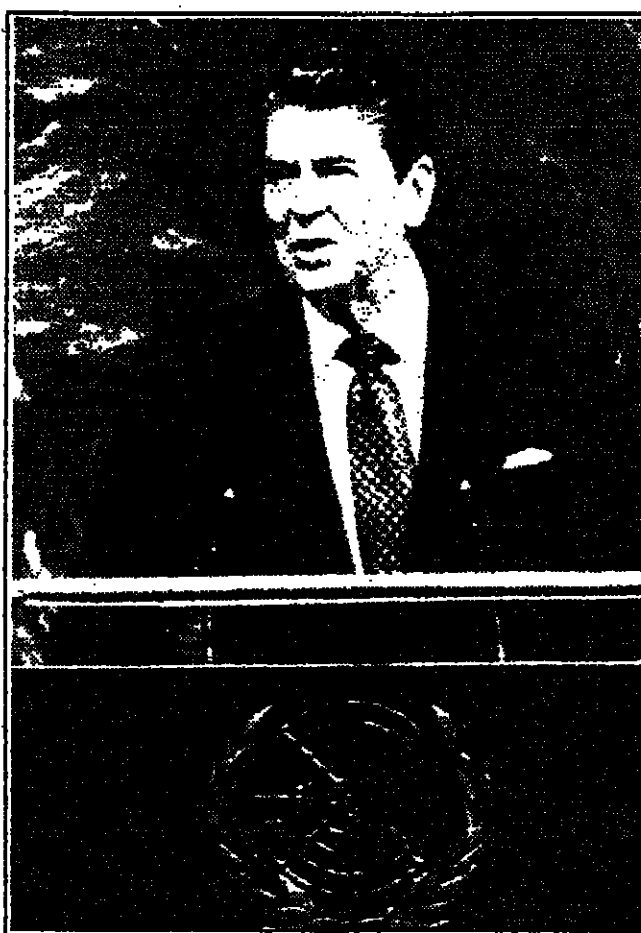
In recent years, the United States has negotiated limits on the practice of subsidizing exports in the guise of credits tied to aid. The most recent success came in April, when the Export Credit Committee of the Organization for Economic Cooperation and Development agreed to ban mixed credits for aircraft and nuclear generating equipment and to require that the aid component of any mixed credit package offered a developing country should be at least 25 percent of any contract.

The United States would like to ban the practice altogether but, in lieu of that, to boost the required aid component to 50 percent, a level high enough to make it unprofitable to disguise trade subsidies as foreign aid.

But the French, backed by Belgium and Italy, have declined to negotiate further limits to the "gentleman's agreement" that governs what export subsidies OECD countries are allowed to offer.



Edward A. Shevardnadze, the Soviet foreign minister, hand on chin, and Oleg A. Troyanovsky, the Soviet delegate to the United Nations, listened Friday as President Ronald Reagan addressed the UN General Assembly in New York.



President Ronald Reagan addressed the UN General Assembly in New York.

U.S., Allies Discuss Gorbachev Summit

NEW YORK — President Ronald Reagan and the heads of five major allied nations met Thursday to discuss the possibility of a summit meeting with Soviet leader Mikhail S. Gorbachev.

Their talks followed a speech by Mr. Reagan to the United Nations in which he concentrated on Soviet involvement in regional conflicts and touched only briefly on nuclear arms control, the major preoccupation of the Western European allies, Japan and Canada.

But officials said the allies were determined to concentrate on arms questions at their meeting and wanted details of how Mr. Reagan planned to respond to Moscow's offer to discuss limits on medium-range missiles based in Asia and would also consider new ways of verifying a future U.S.-Soviet arms agreement.

Mr. Shevardnadze outlined two new Soviet concessions. He said Moscow was ready for the first time to discuss limits on medium-range missiles based in Asia and would also consider new ways of verifying a future U.S.-Soviet arms agreement.

Allied officials said their leaders would press Mr. Reagan to respond to Moscow's arms control offers and retrieve the initiative by making new proposals of his own.

Italian and Canadian spokesmen said it was vital for the United States to match Soviet movement

on the arms question, even if Moscow's latest proposals were more of style than of substance.

Other European allies, facing strong disarmament lobbies at home, have also made it clear that they want a powerful Western response to Mr. Gorbachev's neutralization of the effect of his initiatives on public opinion in Western Europe.

Officials said the Europeans had closely consulted in advance of Thursday's meeting and had taken a unified line on the need to avoid tampering with the ABM treaty.

They also wanted to pin down Mr. Reagan on how far he was ready to discuss the Strategic Defense Initiative when he meets with Mr. Gorbachev.

West German sources said that if there were no answers on these points at their meeting they would be raised again at a dinner given by Mr. Reagan in the evening.

Reagan and Craxi Meet

Mr. Reagan and Bettino Craxi of Italy, who clashed over the handling of the hijacking of the Achille Lauro cruise ship, met Thursday to discuss their differences, according to a senior U.S. official quoted by The Associated Press.

The official said the general theme of Mr. Craxi, the prime minister-designate, "was that U.S.-Italian friendship and the alliance have never been called into question and that while there may have been differences at no time did it throw the relationship into a shade."

Relations between the United States and Italy were strained by Italy's decision to release Mohammed Abbas, the leader of a faction in the Palestinian Liberation Organization. The United States has accused Mr. Abbas of planning the hijacking.

Mr. Craxi's government fell Oct. 16 after Defense Minister Giovanni Spadolini withdrew his Republican Party from the governing coalition, citing the government's handling of the hijacking.

Reagan Calls on Moscow To Withdraw Support to Conflicts in Third World

By David Hoffman
Washington Post Service

UNITED NATIONS, New York — President Ronald Reagan, calling for a "fresh start" in superpower relations, challenged the Soviet Union on Thursday to disengage from five regional conflicts in Asia, Africa and Central America.

In an address to the United Nations General Assembly designed to blunt Soviet emphasis on arms control before his November meeting with Mikhail S. Gorbachev, the Soviet leader, Mr. Reagan sharply criticized Soviet expansionism in Afghanistan, Angola, Nicaragua, Ethiopia and Cambodia.

He proposed a "regional peace process" to resolve disputes in these nations but also vowed that "America's support for struggling democratic resistance forces must not and shall not cease." The United States is supplying aid to such forces in Nicaragua and Afghanistan and is considering aid for them in Angola.

While the Soviet Union has devoted extensive attention to arms control issues in advance of the session between Mr. Reagan and Mr. Gorbachev, Mr. Reagan gave it only limited focus in his address.

He described the recent Soviet proposal for a 50-percent cut in nuclear weapons as including "seeds which we should nurture." He delivered an appeal for his Strategic Defense Initiative in which he quoted Alexei Kosygin, a former Soviet prime minister, as saying 18 years ago that defenses against ballistic missiles "preserve human lives."

Mr. Reagan also declared that he would discuss with Mr. Gorbachev the division of Europe.

"Peace based on partition cannot be true peace," he said. "Put simply, nothing can justify the continuing and permanent division of the European continent. Walls of

partition and distrust must give way to greater communication for an open world."

As Mr. Reagan spoke, the Soviet foreign minister, Eduard A. Shevardnadze, listened quietly. He was to meet with Mr. Reagan later, after delivering an address of his own to the General Assembly.

In contrast to his election-year speech to the United Nations last October, which took a conciliatory

The chief U.S. arms adviser expressed interest in the Soviet bid for a missile freeze. Page 4.

tone toward Moscow, Mr. Reagan on Thursday returned to the criticism of Soviet expansionism that has marked most of his career as president.

"It is difficult for us to understand the ideological premise that force is an acceptable way to expand a political system," Mr. Reagan said. "We cannot accommodate ourselves to the use of force and subversion to consolidate and expand the reach of totalitarianism."

Mr. Reagan cited Soviet military involvement in Afghanistan, Ethiopia, Angola, Nicaragua and the Soviet-backed Vietnamese soldiers occupying Cambodia.

"All of these conflicts, some of them under way for a decade," he said, "originate in local disputes but they share a common characteristic: They are the consequences of an ideology imposed from without, dividing nations and creating regimes that are, almost from the day they take power, at war with their own people."

"And in each case," Mr. Reagan said, "Marxism-Leninism's war with the people becomes war with their neighbors. These wars are exacting a staggering human toll and threaten to spill across national boundaries and trigger dangerous confrontations."

Mr. Reagan called for a three-stage regional peace process that would include negotiations among warring parties, U.S.-Soviet talks aimed at eliminating foreign military presence and arms flows and, finally, economic aid.

White House officials said they expected a strong Soviet rejection of the proposal. But they said it would prove valuable as a way to blunt the Soviet propaganda drive before the summit and expressed the hope that it would also have an impact on the arms control talks in Geneva, prodding the Russians to bargain seriously on reducing nuclear weapons.

Mr. Reagan's address came amid ceremonies marking the 40th anniversary of the founding of the United Nations.

He hailed UN successes but said there had been disappointments such as a failure to deal with "real security issues" and the "politicization of too many agencies, the misuse of too many resources."

Shevardnadze Address

Mr. Shevardnadze, in his address to the General Assembly, warned Thursday that the arms race was taking the world nearer "the edge of an abyss" and called for abandonment of the Strategic Defense Initiative. Reuters reported from New York.

Mr. Shevardnadze said the Soviet Union was proposing:

"A world without weapons in space, a world where nuclear arms would be radically reduced and then eliminated altogether and a world where the U.S.S.R. and the United States would set an example for other nuclear powers by stopping any nuclear explosions."

He also said that the Soviet Union wanted "a world where the U.S.S.R. and the United States would renounce the development of new nuclear weapons, freeze

(Continued on Page 4, Col. 5)

Daughter Of Duarte Is Released

The Associated Press

SAN SALVADOR — Guerrillas have freed the kidnapped daughter of President José Napoleón Duarte on Thursday after more than six weeks of captivity, the president's chief spokesman said.

The communications and culture minister, Julio Rey Prendes, said the release of the president's daughter, Inés Guadalupe Duarte Durán, was the first step in a complicated exchange of prisoners.

The government was releasing 118 jailed or wounded guerrillas, while the rebels freed Ana Cecilia Villeda, 23, a friend of the president's daughter, and were also to free 38 kidnapped municipal officials.

Mr. Rey Prendes said before the release that Mrs. Duarte Durán, 35, was freed in Tenancingo, 24 miles (39 kilometers) northeast of the capital.

She was driven to Santa Cruz Michapa, 18 miles northeast of San Salvador, and then taken by helicopter to the military school in San Salvador, where she met her father and her three children.

Mr. Rey Prendes said the prisoner exchange began at 6 A.M. with the Roman Catholic Church, the International Red Cross and the diplomatic corps participating.

"Everything will be finished today," he said.

Just before noon, 22 prisoners held on political charges were taken from Mariona prison and boarded a bus. The 22 included two women: Nidia Diaz, a guerrilla commander who took part in peace talks last year between the government and rebels, and Rosa Elena Romero Benavides, a radio station reporter.

Mr. Rey Prendes said some of the political prisoners would leave

(Continued on Page 4, Col. 7)



Prime Minister Gandhi of India, left, talked Thursday with President Zia of Pakistan.

Gandhi, Zia Agree to Negotiations Seek to Reassure Each Other on Nuclear Programs

New York Times Service

UNITED NATIONS, New York — The leaders of India and Pakistan have agreed to start negotiations to help reassure each other about the peaceful nature of their nuclear programs, according to Prime Minister Rajiv Gandhi of India. No timetable for the talks was set.

Mr. Gandhi said Wednesday after meeting with President Mohammed Zia ul-Haq of Pakistan that the two governments had also agreed to begin talks on how to improve security on their borders and increase economic cooperation.

Foreign Minister Sahabzada Yaqub Khan of Pakistan said the meeting was "cordial and substantial." He added, "Problems cannot

be resolved at one stroke, but there was very positive movement."

Mr. Gandhi and Mr. Zia, whose countries have fought three wars since they became independent in 1947, have had exceptionally kind words for each other during their

hatchet with. Let's say he's easy to deal with."

Specifically, the two leaders agreed that their Foreign Ministry secretaries would immediately begin talks on how to seal their border to terrorists and smugglers and how to increase trade.

The two leaders met for 35 minutes Wednesday in Mr. Zia's hotel suite at the president's request. They have met twice before, at the funeral of Indira Gandhi, the slain Indian prime minister, and at the funeral of Kostasini U. Cherchenko, the Soviet leader. But the meeting Wednesday "marked a big step forward after the last two meetings," Mr. Yaqub Khan said.

Mr. Gandhi, referring to the ne-

(Continued on Page 4, Col. 1)

China says its nuclear cooperation is with Pakistan, not Iran, as a U.S. critic charged. Page 2.

visits here as part of ceremonies marking the 40th anniversary of the United Nations.

Mr. Zia praised Mr. Gandhi on Tuesday for his role as chairman of the Nonaligned Movement, and after Wednesday's meeting Mr. Yaqub Khan said of the Indian leader: "Here is a man to bury the

Mubarak and Hussein Review Proposals by Peres

Compiled by Our Staff From Dispatches

CAIRO — President Hosni Mubarak of Egypt reviewed the state of the Middle East with King Hussein of Jordan on Thursday and said afterward they had agreed to continue working for peace.

It was the first meeting between the two chief Arab partners of the United States since the Middle East "peace process" was shaken this month by Israel's air raid on Palestine Liberation Organization headquarters in Tunis and the hijacking by Palestinians of the Italian cruise ship Achille Lauro.

Returning from a five-hour visit to Amman, Jordan, Mr. Mubarak said:

"We discussed prospects for the

peace process. We need the process now more than before. It is very important to move forward the peace process."

Mr. Mubarak said they were studying proposals made by Prime Minister Shimon Peres of Israel at the United Nations for direct talks with Jordan to end the state of war between them.

"There are some good points and we have reservations about some others," he said.

Hussein has said he had serious problems with Mr. Peres's proposal, "but I certainly applaud the spirit."

The Egyptian leader has called for more vigorous pursuit of peace after the Achille Lauro hijacking

and a U.S. operation on Oct. 10 to force down an Egyptian aircraft trying to take the four hijackers to Tunis.

Diplomats in Cairo said he wanted speedy efforts by Washington to revive the peace process to prove its commitment to Middle East peace.

Egypt is the only Arab state that has relations with Israel, as a result of their 1979 peace agreement.

Prior to the meeting, Hussein said he planned to meet soon with the PLO's chairman, Yasser Arafat, "to reassess the entire situation."

Before Mr. Mubarak arrived in Amman, Hussein said that offer by Mr. Peres to go to Jordan for

peace talks was "probably a positive contribution." Hussein also condemned a U.S. Senate move to postpone a \$1.9 billion arms sale to Jordan.

Later Thursday, the U.S. Senate, in a sharp defeat for President Ronald Reagan, banned the arms sale until Jordan undertakes direct negotiations with Israel.

Hussein said Thursday of such a condition: "One wouldn't like to use the word blackmail, but it's totally unacceptable. Obviously it's not a way to deal with problems among friends."

The vote in the Republican-controlled Senate was 97-1.

(Reuters, AP)

INSIDE

One of the hijackers of the Achille Lauro reportedly told investigators that Mohammed Abbas led the operation. Page 2.

BUSINESS/FINANCE
The body that governs leading tin traders said it could no longer afford to support sagging prices. Page 15.

SPORTS
St. Louis, behind John Tudor's five-hit pitching, beat Kansas City to take a 3-1 lead in the World Series. Page 23.

SPECIAL REPORT
Austria's economy continues to stabilize as currency movements and expanded investments buoy trade. Page 7.

Iceland Women Strike but One Yields



REYKJAVIK, Iceland — President Vigdis Finnbogadóttir joined thousands of other women Thursday in a 24-hour strike for women's rights. At the same time, she relented under pressure from her government and signed a bill to end a strike by Icelandic stewardesses.

In the morning, as the protest opened, groups of men crowded into hotels after their wives refused to cook breakfast for them. Most of Iceland's telephone switchboards were left unstaffed.

Women make up more than half of Iceland's population of 240,000, and 80 percent of them work. They generally earn 40 percent less than men, although they are entitled by law to equal pay for the same job. Women are virtually excluded from top positions in business and industry.

The president said she would stay away from her office as a sign of solidarity with the strikers.

Officials said she at first refused to approve emergency

legislation designed to halt a strike by the country's 160 stewardesses, saying the measure applied to a typically female job and was presented to her on a day when Icelandic women were demonstrating in support of their rights. However, other members of the government persuaded her to sign the bill.

The stewardesses, whose strike on Wednesday stranded half the country's airlines at foreign airports, said they would defy an order to return to work and would attend a women's rally in the capital later Thursday. The slogan for the rally was, "We dare, we can, we will."

After thousands of women who work in supermarkets failed to show up, their employers broadcast radio announcements that told all employees to take the day off.

There were no official organizers behind Thursday's strike and no strike warnings had been issued, making the protest illegal under the island's labor laws.

"We discussed prospects for the

Lange Plans to Submit Bill to Formalize Ban On U.S. Nuclear Ships

By Jim Hoagland and Don Oberdorfer
Washington Post Service

NEW YORK — Prime Minister David Lange of New Zealand has said that he will introduce legislation by early December formally banning U.S. warships carrying nuclear weapons from visiting his country.

U.S. officials have asserted that such a step would sharpen the challenge that they believe New Zealand's policy poses for the Reagan administration in managing alliances around the world.

New Zealand's policy excludes nuclear weapons and nuclear-powered ships from the country. Enshrining that policy in law would trigger a further reassessment of military relations between the two nations, these officials said.

Mr. Lange on Wednesday laid repeated and heavy emphasis during an interview on his desire to continue strong defense ties to the United States.

"Our anti-nuclear policy is not an anti-American policy," he said. "It is impossible to be anti-American in New Zealand and be a political survivor."

But he insisted that public sentiment in New Zealand dictated that these ties had to be on a nonnuclear basis.

Referring to the confrontation with France over the sinking of the Greenpeace environmental group's ship Rainbow Warrior by French secret agents, Mr. Lange said that the episode, if anything, seemed to have hardened France's insistence on continued nuclear testing in the Pacific.

The French government, he said, has whipped up "military nationalism" in the face of New Zealand's criticism of nuclear testing in general. Mr. Lange said negotiations on compensation would be resumed between the two nations in New York later this month.

The prime minister, who was in New York to address the United Nations General Assembly on Thursday, noted that he had held

the legislation affecting U.S. warships back for nearly a year in hopes of reaching a compromise with the United States, but efforts to do so had failed.

He predicted that the law would probably be enacted by next summer.

Emphasizing that New Zealand "is not nonaligned" and wants to continue to play a role with conventional forces in Western defense of the Pacific, Mr. Lange praised the Reagan administration for its "honorable and disciplined" attitude in ruling out economic sanctions against his island nation.

He acknowledged, however, that decisions by the United States to curtail cooperation on intelligence matters and to halt joint military exercises had forced New Zealand to build up stockpiles of ammunition and take other steps that would add 120 million New Zealand dollars (\$68 million) to defense spending this year.

Mr. Lange, a Methodist minister who led his Labor Party to victory in elections in July 1984, appeared buoyed by public opinion polls that gave his government high approval ratings and strong support for rejection of a U.S. nuclear shield.



David Lange

But those polls also show strong public support for the defense ties to the United States embodied in the ANZUS defense treaty, which links Australia, New Zealand and the United States.

"ANZUS was not a nuclear alliance," Mr. Lange said, noting that New Zealand "had no part of a command structure" as do members of the North Atlantic Treaty Organization and that New Zealand accepts under ANZUS only "a conventional defense" role.

Mr. Lange said that the United States and New Zealand had a good working relationship for 150 years "and I don't want to be the prime minister of a government that blows it."

Achille Lauro Hijacker Accuses Abbas In Statement to Police, Reports Say

By John Tagliabue
New York Times Service

GENOA — One of four hijackers of the Achille Lauro is reported to have told Italian investigators that a radical Palestinian leader, Mohammed Abbas, was the military head of the operation.

Justice Ministry officials in Genoa and in Rome refused to confirm the reports.

The reports, carried Wednesday in Italian newspapers, were similar to charges raised this week by a senior Palestinian Liberation Organization official in Tunis that the four hijackers were acting on the orders of Mr. Abbas.

The reports appeared as Bettino Craxi, Italy's caretaker prime minister, left for a meeting Friday with President Ronald Reagan in New York.

The reports said the hijacker was collaborating with Italian magistrates investigating the case. They said he had been separated from his three accomplices and taken to a prison in northern Italy for further questioning.

The reports are potentially embarrassing for Mr. Craxi, who is seeking to smooth relations with the United States. Relations were seriously strained over Italy's decision to allow Mr. Abbas to leave Italy on Oct. 12 despite a U.S. request for his detention.



Mohammed Abbas

Washington has described Mr. Abbas as the mastermind of the hijacking.

The reports could also complicate difficult negotiations to rebuild Mr. Craxi's five-party government, which collapsed last week over his handling of the hijacking affair, including the release of Mr. Abbas.

Mr. Craxi's government fell

when the Republican Party withdrew its three ministers. The Republicans and their leader, Giovanni Spadolini, the former defense minister, opposed Mr. Abbas's release.

Mr. Craxi has failed to bridge differences with the Republican leadership on policy, including the question of Italy's role in the Middle East.

The government has sought to cultivate warmer relations with the Arab world, including the PLO and its leader, Yasser Arafat. But the Republican leaders have argued that the Achille Lauro hijacking underscores the need for evenhandedness with all parties in the Middle East conflict.

Before leaving Rome, Mr. Craxi said his talks with President Reagan would include a discussion of the "tumultuous events" surrounding the hijacking "and the tensions that arose between us and the American government."

According to the news reports, the Palestinian who has declared his willingness to cooperate with magistrates also confessed to having killed an American tourist, Leon Klinghoffer, 69, of New York. He was shot and his body thrown overboard on the second day of the hijacking.

Italian television reported Wednesday night that the hijacker, who has not been identified, was transferred from a prison near Spoleto, in central Italy, where the four Palestinians were being held, to a maximum-security prison near Genoa.

According to the accounts, the hijacker said he and his accomplices acted on orders from Mr. Abbas, who was described as the military leader of their guerrilla group.

The Palestinian reportedly told Italian magistrates that Mr. Abbas promised him and his accomplices that his organization would carry out assassinations and hijackings to force their liberation. The promise reportedly was made after the men were arrested when an Egyptian airliner carrying them from Egypt was forced to land in Sicily.

U.S. Is Criticized

The European Parliament called Thursday for a Palestinian homeland and condemned the United States for responding to "illegal sea piracy with illegal air piracy" in the Achille Lauro incident, Reuters reported from Strasbourg, France.

In a special motion, the organization also condemned members of the Palestine Liberation Organization for hijacking the ship.

U.K. Air Force Center Badly Damaged by Fire

The Associated Press

BRAMPTON, England — A major fire has destroyed a large part of the British Air Force's Support Command headquarters at Brampton 60 miles (96 kilometers) north of London, the Defense Ministry said Thursday.

The fire at the base near the town of Huntingdon in Cambridgeshire started late Wednesday and burned for several hours, leaving much of the extensive three-story headquarters building a smoldering ruin. The ministry said that the fire would not affect immediate combat capability.

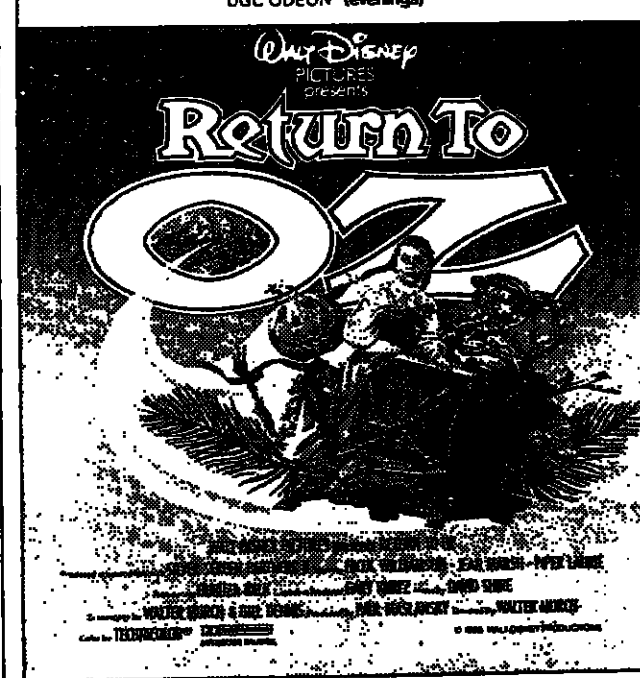
Israeli Teachers Go on Strike

The Associated Press

TEL AVIV — About 300,000 Israeli high school students stayed home Thursday when 16,000 teachers went on strike in a pay dispute.

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WORLD BRIEFS

U.S. Denies Article on Notifying Soviet

WASHINGTON (WP) — The Reagan administration has denied "utterly without foundation" a report in The Washington Post that the United States is prepared to negotiate with the Soviet Union any proposed deployment of new strategic defensive weapons and would give Moscow five to seven years' notice before unilaterally deploying them.

The White House spokesman, Larry Speakes, said the report in Wednesday's Post was "made up out of thin air." A State Department spokesman, "was obviously misunderstanding." A State Department spokesman, Charles Redman, said that if the information had been "thoroughly checked, it would have been shown to be utterly without foundation." [The report was published Thursday in the International Herald Tribune.]

French Seize Protest Boat, Test Device

PARIS (Reuters) — France said Thursday that it had carried out a successful nuclear test at Mururoa Atoll in the South Pacific. Several hours before the explosion, French commandos seized a Greenpeace yacht, the Vega, as it sailed toward the atoll in an attempt to disrupt the test.

Admiral René Hugues, commander of the French Pacific fleet, said the yacht had crossed a 12-mile (19-kilometer) territorial limit around the test site. In London, a Greenpeace spokesman said the Vega, which had four anti-nuclear protesters aboard, was six miles outside the limit.

Prime Minister Laurent Fabius and Defense Minister Paul Quilès witnessed the nuclear test. The device was detonated inside a dormant volcano hundreds of yards below the surface of the atoll. The strength of the blast was not immediately known.

New York Gets Anti-AIDS Proposal

ALBANY, New York (UPI) — Governor Mario M. Cuomo of New York on Thursday proposed outlawing sexual activities that lead to the spread of AIDS in gay bathhouses and other such establishments.

He also began a program to educate the public about AIDS, or acquired immune deficiency syndrome. "We know that certain sexual behavior can be fatal," Mr. Cuomo said. "We must eliminate public establishments which profit from activities that foster this deadly disease." The proposed regulation would affect heterosexual as well as homosexual establishments. Offenders would be subject to a fine of \$1,000 or imprisonment.

Iranian Cabinet List Wins Approval

TEHRAN (Reuters) — Prime Minister Mir Hussein Mousavi has won President Ali Khamenei's approval to appoint two radical ministers to the key portfolios of oil and the interior, the Iranian press agency reported Thursday.

It said Mr. Mousavi notified the speaker of parliament, Hashemi Rafsanjani, that each of the 24 names, including seven new candidates, in his proposed cabinet now awaited the approval of parliament, which has in the past been reluctant to support Mr. Mousavi's pro-public sector policies. The newspaper Kayhan International noted that the list "does not differ much from the one Premier Mousavi proposed to the president at the beginning of this week." Diplomatic sources said the list showed that Mr. Mousavi was winning a struggle within the Mos-



Mir Hussein Mousavi

lem clergy-dominated government to determine whether the Islamic republic should be run by state or private enterprise.

Kasparov Signals 19th-Game Victory

MOSCOW (Reuters) — Garry Kasparov made a dramatic gasp Thursday as the 19th game of the world chess title rematch was journaled, revealing his sealed 42d move and thus indicating that he was the verge of victory in the game.

A win for Mr. Kasparov, the challenger, would give him a two-point lead, 10½ to 8½, with five games to go. The cocksure gesture brought full house of more than 1,000 spectators to their feet. No one Tchaikovsky Hall could recall a similar incident happening at a chess championship level.

By playing the sealed move, Mr. Kasparov effectively indicated to Anatoli Karpov, the champion, that Mr. Karpov could only resign in his position. The game is to resume Friday. Mr. Karpov appeared to face heavy loss of material.

U.S. Panel Rejects Chemical Weapons

WASHINGTON (AP) — The House Appropriations Committee voted Thursday to reject President Ronald Reagan's request for money to build new U.S. chemical weapons, but refused to cut deeply into its research for a space-based defense against Soviet nuclear missiles.

The votes came as the committee worked its way through \$5 billion in appropriations for the Defense Department for the current fiscal year. The bill, approved and sent to the House floor on a voice vote contains most of the proposed \$252-billion Reagan budget.

Representative John E. Porter, Republican of Illinois, won approval 26-24, for his motion to kill the request for \$163.5 million to build new gas artillery shells and bombs for the first time since the U.S. program was suspended in 1969. The vote came in a closed session that Mr. Porter requested to present new, classified information in support of his argument that no new U.S. weapons were needed to offset the Soviet chemical arsenal.

Correction

Because of an error by The Associated Press, K. Natwar Singh, an Indian minister of state, was incorrectly identified as Indonesia's foreign minister in a photograph that appeared in Thursday editions.

Lebanese Militias Search For 3 Soviet Diplomats

By Ihsan A. Hijazi
New York Times Service

BEIRUT — Pro-Syrian militia-men conducted a house-to-house search in Moslem West Beirut and the southern suburbs Thursday looking for three Soviet Embassy officials who were kidnapped Sept. 30. A similar search was mounted in the southern port of Sidon.

Police said units of the Shiite Amal movement and the mostly Druze Progressive Socialist Party were involved in the Beirut search.

About 70 persons were reported to have been rounded up for questioning, but the search has produced "no apparent clues as to where the Russians were being held or information leading to the identity of their abductors."

Four Russians were abducted at gunpoint in West Beirut on Sept. 30. The body of Arkadi Katkov, a Soviet consular secretary, was found two days later. The other three missing embassy employees were identified as Oleg Spirin, a press attaché; Valery Mirkov, a commercial attaché; and Nikolai Svirsky, the embassy doctor.

A faction calling itself the Islamic Liberation Organization claimed responsibility for the kidnappings and for killing Mr. Katkov.

There was speculation that the three Russians may have been smuggled out of Lebanon from Sidon by sea. A Lebanese police officer who asked for anonymity said it is believed the Soviet personnel were being held at the Palestinian camp of Chatila in southern Beirut. Palestinian factions have denied involvement in the affair.

In another development Thursday, the most powerful Christian militia, the Lebanese Forces, shut the East Beirut newspaper al-Amal.

A statement issued by the militia said the daily paper, the organ of Lebanon's principal Christian group, the Phalangist Party of President Amin Gemayel, had printed seditious articles designed to sow discord in Christian ranks.

Radio stations said militiamen raided al-Amal offices in Christian East Beirut and took away the editor, Joseph Abu Khalil.

In a commentary Wednesday, al-Amal said that Syria was trying to use the Christian militia to influence the Gemayel into making concessions at the expense of Christian rights.

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PH 105 (20)



Halley's Comet, through a telescope at Whipple Observatory in Arizona on Sept. 15.

By Telescope, Halley's Comet Beckons

By Thomas O'Toole

MOUNT PALOMAR, California — Through the eye of one of the world's most powerful telescopes, the 60-inch (152-centimeter) behemoth at the Mount Palomar Observatory, Halley's Comet stood out like a giant ghostly beacon as it sped toward Earth outside the orbit of Mars, 124 million miles away.

It dominated its portion of the sky in the viewing early Wednesday, dwarfing every star behind it as it raced toward the environs of Earth for the 30th time in recorded history.

"It's extraordinarily bright, much brighter than we expected it would be at this distance," said James Gibson, an astronomer at the Jet Propulsion Laboratory in Pasadena, California. "As it now stands, that comet's gas and dust cloud measures 90,000 miles across, or 146,208 kilometers. That means it's grown seven times since I last observed it three months ago."

Mr. Gibson paused, then said, "In a way, I don't believe it. But I guess I have to believe it."

Halley's Comet's appearance in the skies of Earth this time may not be the best it has ever made, but it will not be the worst, either.

The comet is expected to first become visible from Earth in December. In northern latitudes, the best viewing month will be next March. The comet will reach its maximum brightness in early April, but by then it will be visible only from the Southern Hemisphere and the extreme southern parts of the Northern Hemisphere.

"We're predicting the tail will grow about 10 to 15 degrees across the sky," Mr. Gibson said. "That's less than half the length of the tail when the comet last appeared in 1910, but you have to remember that in 1910 the comet was so close that the head could be seen in the evening sky at the same time the tail was visible in the morning sky."

Donald K. Yeomans of the Jet Propulsion Laboratory said that astronomers using radio telescopes have measured the equivalent of a ton of water being boiled off the comet every second that it comes closer to Earth. While this may seem as if Halley's Comet is burning itself out, its estimated lifetime is another 200,000 years.

"The rocky core of Halley now appears to be three kilometers across, the size of Manhattan Island," Mr. Yeomans said. "If you calculate that it loses roughly one meter of surface each time it circles the sun every 76 years, then theoretically it could make another 260 appearances before it burns itself out."

Critic Says Aged Planes Hurt Drug Fight in U.S.

The Associated Press

WASHINGTON — The U.S. Customs Service's air fleet, intended to fight airborne drug smugglers, is suffering from problems, a congressional critic says.

The service's 70-plane fleet includes only 15 sophisticated aircraft, said Representative Glenn English, Democrat of Oklahoma.

Ten other planes are of limited use, and the remainder of the air force is "the junk," said Mr. English, a principal backer of increasing the force. "Many can't even fly."

He said the force's three two-man Cobra helicopters are useful only "if you're willing to risk the life of the arresting officer." He said a demonstration of the Cobras showed it would take too long for the crew to exit with smugglers' guns trained on them.

Largely at the initiative of Congress, the service's air division continues to expand, with a budget last fiscal year of \$55.4 million. Eight aircraft that can track smugglers from long distances are under construction, and two flying detection platforms are being modified.

The Customs Service is forming air units with planes to detect, intercept and track air smugglers, and then swoop down after them in helicopters when they land.

William Rosenblatt, the Customs Service's assistant commissioner for enforcement, said that the service has airplanes and radar stretching "from the East Coast to the West Coast." While the agency's resources address "the various threats," he said, "I'm not going to tell you it's sufficient, no way."

Mr. Rosenblatt would not discuss specifics about Customs' air division. However:

- Customs officials told congressional staff members Sept. 5 that long-range radar to intercept smugglers' aircraft will not fit in Beech C-12s, a mainstay of the air fleet.
- A Customs Service five-year plan acknowledges that there are radar gaps in the Gulf Coast where smugglers can avoid detection and that problems are even more evident over the western half of the southern border, because of "the present thinness" of radar, air-planes and crews.
- The service's parent agency, the Treasury Department, has given contradictory public testimony about the usefulness of P-3 four-engine turboprops, the state-of-the-art flying detection platforms modified for the drug war.

High Tech Intruding on U.S. Privacy Laws

By Juan Williams

Washington Post Service

WASHINGTON — Privacy laws have failed to keep pace with computer and telephone technology, leaving American industries unprotected from unauthorized surveillance by competitors and citizens unprotected from unauthorized investigations, according to a report Thursday by the congressional Office of Technology Assessment.

The report also said that of 142 federal agencies responding to a survey, excluding foreign intelligence or counterintelligence agencies, 35 either use or plan to use electronic surveillance. Court-approved wiretaps and other electronic surveillance were at a record high last year, it said.

The agency said 36 of the agencies already use a total of 85 computerized record systems for investigative or intelligence purposes, and maintain 288 million files on 114 million people.

The report said it is "technically feasible" for these files to be linked into a single network that could track untold numbers of citizens without good reason.

The study said Americans are

without any legal protection against unauthorized tapping of phone calls made on cellular or cordless phones, as well as data transfers between computers and digital transmission of video and graphic images.

The government, it said, could be a victim of the current gaps in the privacy laws. The study showed that about 25 percent of federal agencies said they used or planned to use potentially vulnerable computer systems for law enforcement, investigations and intelligence.

The report, titled "Electronic Surveillance and Civil Liberties," is to be given to Representative Robert W. Kastenmeier, Democrat of Wisconsin and chairman of the House Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice.

"In the last 20 years," the report said, "there has been a virtual revolution in the technology relevant to electronic surveillance. Advances in electronics, semiconductors, computers, imaging, data bases and related technologies have greatly increased the technical options for surveillance activities."

"The existing statutory framework and judicial interpretation thereof do not adequately cover

new electronic surveillance applications," it continued. "The Fourth Amendment — which protects 'the right of the people to be secure in their persons, houses, papers and effects against unreasonable searches and seizures' — was written at a time when people conducted their affairs in a simple, direct and personalized fashion."

"Telephones, credit cards, computers and cameras did not exist," the report said. "Although the application of the Fourth Amendment is timeless its application has not kept abreast of current technologies."

The privacy law, passed in 1968, covers wire and oral communications only. Mr. Kastenmeier and Senator Patrick J. Leahy, a Vermont Democrat, have introduced the Electronic Communication Privacy Act of 1985, which would extend "protection against interception from voice transmissions to virtually all electronic communications."

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Individual Donors Declining In U.S. Politics, Study Says

Washington Post Service

WASHINGTON — For the first time, incumbent House Democrats in the United States received more campaign money last year from political action committees than from individual donors, according to a study by the Democratic Study Group.

The dependence of House Democratic incumbents on contributions from political action committees, or PACs, was significantly higher than it was for incumbent Republicans.

In addition, the study showed that the small contributor, the donor of less than \$100, was steadily disappearing.

Donations of under \$100 accounted for 46 percent of total House contributions in 1974 but 19 percent in 1984, while falling from 38 to 23 percent for Senate candidates over the same period. Even when inflation is taken into account, small contributions have declined by 17 percent from 1980 to 1984.

According to the study, House Democratic incumbents in 1984 received an average of \$151,202 from PACs and \$144,868 from individuals. Republican incumbents received an average of \$128,474 from PACs, and \$174,402 from individuals.

"PACs are displacing individuals as the primary source of campaign funds," the study concluded. It said the decline of small contributors "cannot help but have a profound influence on Congress — especially when grass roots-based funding is replaced by funds from interests outside of the member's district."

The Democratic Study Group, a liberal reform organization, called for legislation granting a 100-percent tax credit for political contributions up to a total of \$100 a year.

The Democratic-controlled House Ways and Means Committee, however, moved last week in the opposite direction. It voted to kill the current 50-percent tax credit on political contributions, up to an annual credit ceiling of \$50.

Consul Killed in Guatemala

The Associated Press

GUATEMALA CITY — Norman Linds, Norway's honorary consul in Guatemala, and three other persons were killed Wednesday when their private airplane exploded after touching off a mine as the plane landed at a coffee plantation 80 miles (130 kilometers) southwest of Guatemala.

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Philip Will, Chicago Architect, Dies

The Associated Press

CHICAGO — Philip Will Jr., 79, co-founder of one of the nation's top architectural firms and a major influence on the design of many Chicago buildings, died Tuesday in Venice, Florida.

Mr. Will's death was announced by his company, Perkins & Will.

Under his tutelage, Perkins & Will won 26 national awards, including the 25-year award of the

American Institute of Architects for a design of enduring significance. Mr. Will served as national president of the institute for two terms.

He left behind his personal residence in the Chicago suburb of Evanston as one of his most prized designs, said Lawrence Perkins, co-founder of Perkins & Will.

■ **Other deaths:**
Boris Lesniewski, 80, a Russian

emigrant who was a ballet dancer, big game hunter, distiller and hotelier, in Katmandu, Nepal, where he lived for half a century and earned the nickname Boris of Katmandu.

Rafel León Torres, president of the National Bank of Cuba for the past 12 years and a member of Cuba's Communist Party Central Committee, Thursday in Havana of a heart attack. He was in his early 50s.

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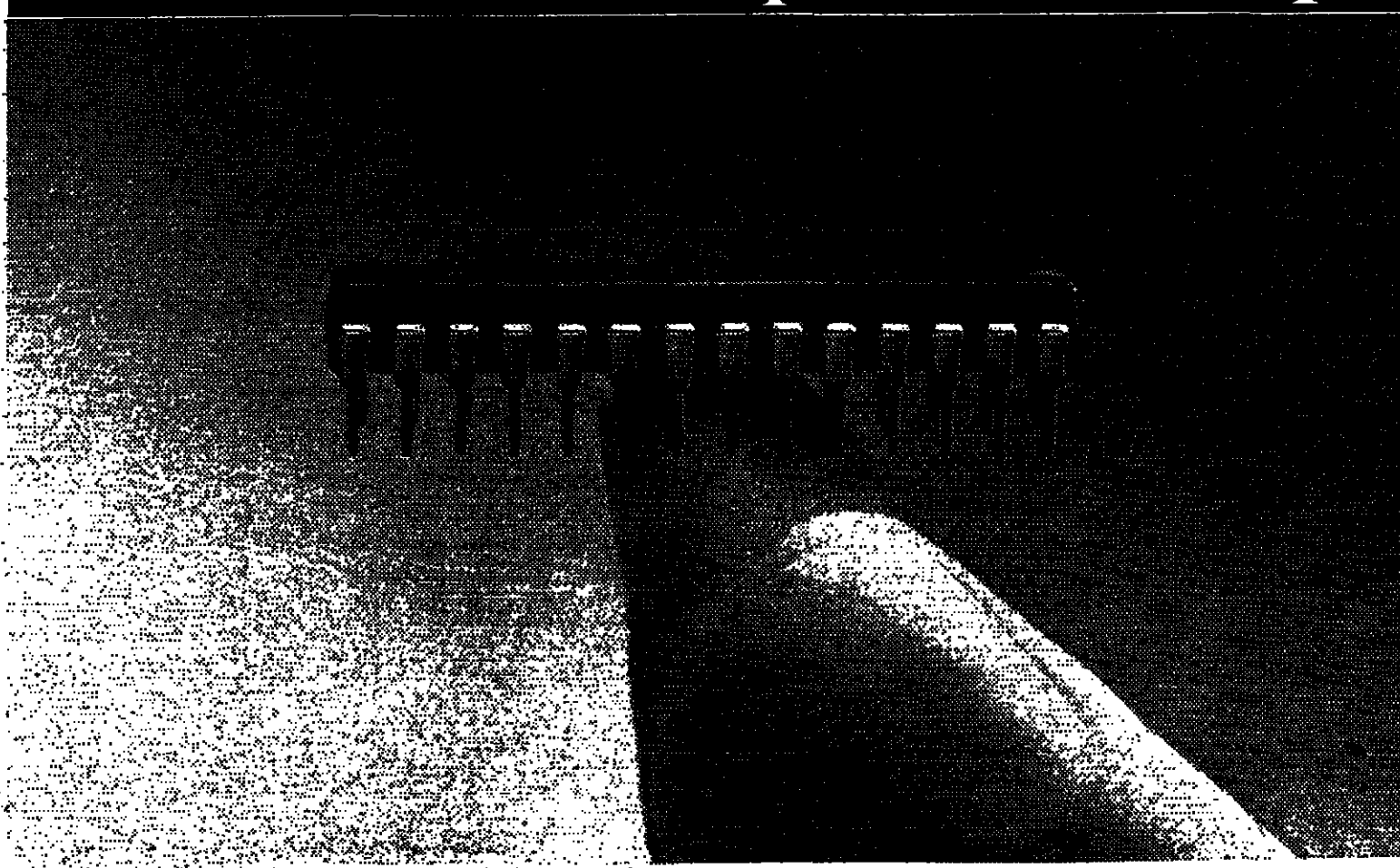
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Violence Erupts in Cape Town; Special Rules Lifted in 6 Areas

By Allister Sparks
Washington Post Service

JOHANNESBURG — Racial violence erupted Thursday in the center of a major South African city for the second time in a week when police clashed with demonstrators in central Cape Town.

Separately, President Pieter W. Botha announced a lifting of emergency regulations in six of the 36 towns and cities where they were imposed three months ago, claiming the stringent measures had been effective in restoring order.

Another two blacks were killed in clashes with the police in the Crossroads squatter camp outside Cape Town, bringing the death toll in that region over the past two months to 63 and the total killed in South Africa since racial violence began in September last year to nearly 800.

Young blacks hurled rocks and gasoline bombs at automobiles driving along a major highway to Cape Town airport for the third consecutive day, and police advised motorists in that city to wear crash helmets.

No one was seriously injured in the violence in Cape Town, when police used a water cannon and whips to disperse a large crowd of black and mixed-race demonstrators who gathered in the city's main thoroughfare, Adderley Street.

Whites and blacks scattered as police in riot helmets lashed at them with whips, knocking some down, and a water cannon fired

purple dye at the crowd, staining buildings and splashing into some stores.

While police sealed off central city streets to traffic, an officer with a bullhorn ordered shop assistants to return to their shops and other people to leave the downtown area.

"All people who don't work here, move," he ordered, adding: "This is valid for whites as well."

The violence in central Cape Town followed rioting Friday in central Johannesburg, when blacks rampaged through six city blocks attacking whites and smashing shop windows after a memorial service for a supporter of the black underground who was hanged for shooting a policeman.

According to press agency reports, Thursday's police action began when a busload of black women arrived in Adderley Street to hold a demonstration demanding the withdrawal of troops from the segregated black and mixed-race townships outside Cape Town, where there have been bloody clashes between local inhabitants and the security forces over the past two months.

A second crowd of blacks gathered at the same time outside a nearby courthouse, where three mixed-race men were appearing on a charge of murdering a policeman during a black funeral rally in the townships in March.

Showing a hesitancy in the face of the large number of whites min-

gling in the crowd that contrasted with the precipitate action police have taken in the ghetto townships, officers pleaded with the crowd to disperse.

"You are going to give me laryngitis, my throat won't take it, please people, disperse, otherwise we will have to take action," an officer said at one point.

The six towns where the emergency regulations have been lifted, four in the Eastern Cape and two in Transvaal, are all on the periphery of the main areas of unrest.

The assessment of observers was that the level of racial violence in the country has increased since the partial state of emergency was declared July 20.

The violence has tended to shift to new areas, such as Cape Town, Natal and the north-eastern Cape, while continuing to simmer in most of the areas where it originally erupted.

Overall, the daily casualty rate has more than doubled and the level of black anger appears to have intensified.

The police in Cape Town and adjoining townships arrested 14 news reporters, including four foreign television cameramen, and four others claimed they were assaulted by police, according to news agency reports.

The foreign TV crewmembers were held in a police truck, then taken to a police station for questioning. They were later released without charges.



Sam Nunn

Allies Balk At U.S. Offer

(Continued from Page 1)

tion stocks, logistical support and other measures of conventional military strength.

The official said some nations, notably West Germany, had already shown willingness to fund improvements in this area. But the commitment of several smaller NATO allies was not as certain.

The second area of improvement concerns the response to a special \$250-million fund approved by Congress this year to support cooperation of the United States and European allies in developing new armament systems.

Mr. Nunn, encouraged by the NATO commitments to improve defenses, had sponsored a bill providing \$200 million for the fund. He promoted the legislation as a "carrot" approach to the problem instead of reintroducing his 1984 bill.

The U.S. official said the European reaction to the special fund has been characterized by suspicion of U.S. intentions and hesitation about designating matching money. The matching funds are not required by the legislation, but Mr. Nunn expects the allies to make significant financial contributions.

The United States may have specific cooperative programs to propose Nov. 15, when NATO deputy defense ministers hold a special meeting in Brussels, the official said.

The United States sees greater cooperation on arms among the allies as important because of the increasing cost of developing new weapons systems. The duplication of effort by the allies is one reason why the alliance cannot match the Warsaw Pact in the output of conventional arms, U.S. officials say.

Soviet Missile Proposal Has Merit, Nitze Says

By Bernard Gwertzman
New York Times Service

WASHINGTON — The Reagan administration's senior arms control adviser has expressed interest in a Soviet proposal for an interim agreement on medium-range missiles that would freeze the number of U.S. and Soviet missiles in Europe and Asia.

Paul H. Nitze, who advises President Ronald Reagan and Secretary of State George F. Shultz, repeated the overall U.S. criticism of the proposals outlined by Mikhail S. Gorbachev, the Soviet leader, in Paris this month and later amplified at the Geneva negotiations.

But Mr. Nitze noted Wednesday that the Soviet Union had offered to separate the talks on medium-range weapons from the two other parts of the Geneva negotiations, on strategic, or long-range, weapons, and on space-based defenses.

The United States has long sought to separate the issues because Moscow was linking progress in the strategic and medium-range talks to an end of the American space-based program.

Mr. Gorbachev's initial proposals, which included a 50-percent cut in strategic delivery systems, raised questions among U.S. officials when he proposed a freeze on medium-range SS-20 missiles in Europe at 243. It was uncertain to them at the time what the Soviet side intended to do about the 200 SS-20 missiles in Asia.

Mr. Nitze said that the Soviet plan for an interim freeze called for a freeze on SS-20s in Asia as well. Other American officials said this became clear in the Geneva talks recently.

In the U.S. view, the Soviet Union, by proposing an interim freeze on medium-range missiles, seemed, in effect, to acknowledge that the United States could retain the Pershing-2 and cruise missiles installed in Western Europe since late 1983. Previously, Soviet proposals insisted on a dismantling of the new American missiles.

Mr. Nitze said the Soviet proposal on medium-range missiles was nevertheless unacceptable because the Russians would still have a significant advantage in numbers.

Moreover, he said, the Soviet Union still wanted the U.S. force reduced after the interim freeze and wanted the Soviet force to be balanced by the number of British and French missiles, something unacceptable to NATO.

Mr. Nitze said that the Soviet proposals contained "an infinite number of bookends" but that they also contained useful ideas.

He said Mr. Reagan and Mr. Gorbachev could not possibly settle "the immensely complex and varied issues" in arms control when they meet in Geneva on Nov. 19 and 20.

Arms talks between the United States and the Soviet Union broke down in 1983 when the Soviet side walked out when the first of 572 planned American missiles were deployed in Europe to counter the SS-20s.

Thatcher, Reagan Meet

Prime Minister Margaret Thatcher of Britain, warning that Mr. Gorbachev was winning the propaganda battle in advance of next month's Geneva meeting, urged Mr. Reagan on Wednesday to seize the initiative by stressing his commitment to arms reduction, the Los Angeles Times reported from New York.

Mr. Thatcher and Mr. Reagan, in New York for the 40th anniversary of the United Nations, discussed issues of the summit meeting during a half-hour session.

Dutch Approve Accord

The Dutch parliament approved Thursday a draft accord with Washington on deploying cruise missiles in the Netherlands, Reuters reported from the Hague.

Approval of the outline, which covers arrangements for siting and control of the missiles, is a further step toward the government's final decision next month on whether to accept the weapons.



President Duarte hugs his daughter, Inés, and her friend, Ana Cecilia Villeda, after their release on Thursday.

Duarte's Daughter Released In Prisoner Swap With Rebels

(Continued from Page 1)

The country and others would remain in El Salvador.

The government also was assisting in the evacuation of 96 wounded guerrillas to other countries for medical treatment. The wounded rebels presumably had been in guerrilla hospitals.

The wounded prisoners were to be turned over to the Red Cross in Jucuaran, 70 miles southeast of the capital, for transfer to other countries. A Panamanian Air Force plane was waiting at the capital's airport.

Mr. Rey Prendes said Wednesday that details of the exchange were worked out in three days of long meetings between representatives of the government and the Farabundo Martí National Liberation Front, the main rebel military organization, in Panama.

The agreement, reached Tuesday, would end more than six weeks of tension that started when Mrs. Duarte Durán and her friend were abducted as they arrived for classes at a private college in San Salvador on Sept. 10. One bodyguard was killed and one was wounded in the abduction.

The abduction and subsequent negotiations had preoccupied officials of Mr. Duarte's government, which, in addition to the six-year war with leftist insurgents, faces deep economic and social problems.

The original guerrilla demands were for two prisoners and an explanation of what had happened to a number of others presumed captured. The demands grew to nine prisoners, and eventually to 34. The government had released three of the 34 previously. The 22 it agreed to release left nine the government said it could not account for.

Mr. Duarte won the approval of the country's powerful military establishment to negotiate the prisoner exchange. But the deal nevertheless generated strong criticism of the president from the political right.

Advertisements paid for this week by the Nationalist Republican Alliance, coffee growers and other groups asked how the government could explain the exchange to soldiers in the field who would have to fight against the released guerrillas.

India, Pakistan to Confer on Nuclear Projects

(Continued from Page 1)

negotiations to reassure each other about the peaceful nature of their nuclear program, said. "We haven't discussed how they are going to progress."

Niaz Naik, Pakistan's secretary of foreign affairs, said that it had been "agreed to initiate the process of technical discussions between India and Pakistan on the question of nuclear nonproliferation."

He added, "We are leaving it up to the technical people to decide what is the best modality to reassure each other that both sides are pursuing peaceful programs."

Nuclear development remains the main source of tension between the two countries. Both deny that they have programs to make nuclear arms, but India has recently

stepped up allegations that Pakistan is developing a weapon.

An Indian general recently asserted that Pakistan was preparing to conduct a nuclear test on the Chinese border. And Mr. Gandhi and other top Indian officials have said that Pakistan has the ability to produce as many as five bombs and is being helped by other powers.

"We talked about the problem of their nuclear program, and he said they are not doing it," Mr. Gandhi said after his meeting with General Zia on Wednesday, "but we are not fully convinced."

But, in a conciliatory tone, he added, "Somehow, we have to work together to see how to solve the problem."

General Zia has repeatedly denied India's charge. In his speech Wednesday before the General Assembly, he said: "Pakistan is prepared to enter into any agreement or arrangement with India on the basis of sovereignty and reciprocity

to keep our area free of nuclear weapons."

"We would welcome any ideas, participate in any consultations, attend any conference in order to achieve this objective."

French Police Arrest Suspected Terrorist

Reuters

PARIS — A suspected member of a leftist French guerrilla group sought in connection with a bank robbery has been caught, police sources said Thursday.

They said Meyer Azerouhald, 26, thought by police to be one of the founders of the group Direct Action, was arrested Sunday. He was sentenced to life imprisonment in absentia last year for his involvement in a Paris bank attack in 1980 in which a man died and another was seriously injured.

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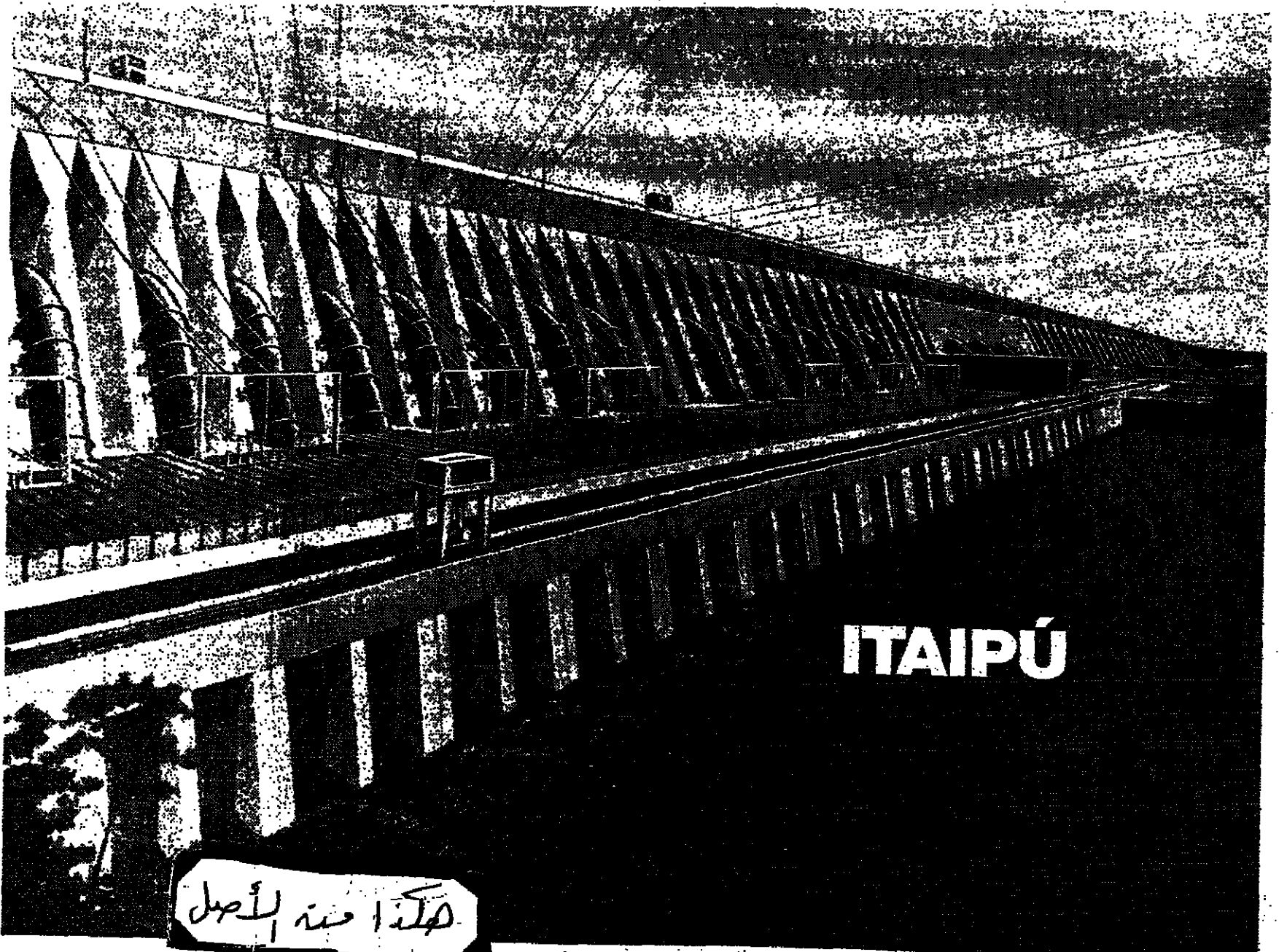
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A First: Oscars for Ready-to-Wear Designs

By Hebe Dorsey
International Herald Tribune

PARIS — The Paris collections ended Thursday with the awarding of the first Oscars to French ready-to-wear designers. The ceremony was held in the grandiose Opéra de Paris, ordered built by Napoleon III and opened in 1875. The show, attended by about

PARIS FASHION

1,200 people, was televised in France, Japan and the United States to an audience estimated at 250 million, which gives some idea how much fashion has evolved into a saga of megatelevisions, megabucks and mega-intrigues.

Everything was red in this opulent setting, from the grand stairway and balconies, draped with red flowers, to the dinner tables covered with red tablecloths. The orchestra was buried inside a square, red-draped podium. At the announcement of the Oscars, a red curtain was lifted and 200 models, dressed in shades of red by the designers attending, stood on a huge colonnaded stairway — the Opéra's set for "Iphigénie en Tauride."

As Gene Pressman, president of Barneys, New York, put it: "I'd rather be watching the Super Bowl, but this is very impressive."

Pier-Luigi Pizzi, the Italian opera director, who coordinated the show with the French television crew, had the felicitous idea of filming the arrival of the designers on the Opéra grand stairway and following them into the orchestra. Most of them arrived with glamorous escorts: Alaïa with Cher, Yves Saint Laurent with Catherine Deneuve, Emanuel Ungaro with Anouk Aimée and Valentino with Fanny Ardant.

The evening had a distinctly institutional edge, thanks to Jack Lang, France's culture minister, whose idea it was, and who has given his support to promoting French fashion. He was there, as well as Danielle Mitterrand, the president's wife, and Edith Cresson, the minister of industry and foreign trade. Frédéric Mitterrand, a nephew of the president who knows a lot about movies but not much about fashion, was the emcee for the event.

While all the designers sat side by side in two orchestra rows, Saint Laurent's business partner, Pierre Vergé, who has been known to pull a lot of fashion strings, sat on the right of Mrs. Mitterrand.

Nine Oscars were presented, six of them awarded by a jury selected by Jacques Moudier, head of the French Chambre Syndicale. The other three were voted on by 200 fashion journalists, under the supervision of IFOP, a French polling organization.

The hero of the evening was Azzedine Alaïa, the diminutive



Azzedine Alaïa, the Tunisian-born designer, at awards ceremony for Paris fashion designers Thursday with Inan, the fashion model, and Grace Jones, the actress and singer.

The hero of the evening was Azzedine Alaïa, the diminutive Tunisian designer, who won two Oscars and who is responsible for re-emphasizing the body, bringing back shape to fashion.

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The Oscars voted by the jury went to five countries. The awards voted by the journalists were presented to 12 ready-to-wear designers.

The jury awarded two Oscars jointly to Alaïa and Sonia Rykiel. While the naming of the first winner was greeted with deafening applause, the second named winner had people wondering — Rykiel being known as a designer of nice knits. The idea, apparently, was to have a woman designer on the podium. Alaïa won the second Oscar as the journalists' choice for designer of the year.

Other winners were Pierre Cardin, Issey Miyake, Saint Laurent

and Claude Montana. Montana's award was for the best collection this season.

John B. Fairchild, chairman of Women's Wear Daily and a man who has packed a lot of excitement into fashion, received the Oscar from Paloma Picasso for "spreading French fashion in the world."

Hélène Lazareff, who founded the magazine Elle and helped establish a French fashion image in the world, was also a winner.

There were special tributes to Chanel, Balenciaga and Madame Grès, who presided the event and got the biggest ovation.

As a gesture to the house of Dior, which was not on either of the two lists of nominations, the organizers brought onstage Marc Bohan, Dior's couture designer, along with 200 seamstresses dressed in white. André Heppburn, who attended

the ceremony with Hubert de Givenchy, her favorite couturier, also received a special mention.

Some people felt that Karl Lagerfeld should have been given special attention, both in connection with the house of Chanel and because he invented de luxe ready-to-wear at Chloé.

Valentino, also missing from the list of winners, was a good sport: he stayed to the end and was host of a table for his whole crew, which included the mother of his partner, Giancarlo Giammetti.

It was a highly charged evening and a feat of sorts to capture so many designers in one place. As short films of each designer were shown, along with their designs, it was also as if a page of French fashion was being turned, heralding the beginning of the new and the end of the old.

All Phone Numbers To Change In France

International Herald Tribune

PARIS — The entire telephone dialing system of France will change Friday at 11 P.M.

At that hour, the country will be divided into two phoning areas: the Paris region — Paris and its suburbs, including Versailles and Fontainebleau — and the rest of France.

All numbers in France will have eight digits, instead of the six or seven digits used until now. Outside the Paris region, where six digits have been customary, area codes used previously will become part of subscribers' telephone numbers.

The switch, according to officials of the state-owned Post and Telecommunications, or PTT, will not mean any interruption to service, even to calls in progress.

But it will double the capacity of the telephone network, now near saturation in Paris and other areas, making 50 million numbers available to meet demand well past the year 2000. It will also help in development of new services such as radio telephones, telecopiers and toll free numbers, according to PTT.

For Paris itself, all local numbers will remain unchanged except that they will start with a 4.

At the International Herald Tribune, for example, the phone number 747-1265 will become 4747-1265.

Elsewhere in the Paris region, the prefix 3 will be added to numbers in the Val d'Oise and Yvelines departments, including Versailles and St. Germain-en-Laye, and the prefix 6 will be added for the Essonne and the Seine-et-Marne, including Evry and Fontainebleau.

Calling from abroad will change only for the Paris region. Before the change, a caller to a number in Paris would have dialed from abroad: 33 (country code for France), then 1 (city code for Paris), then the seven-digit local number.

After 11 P.M. Friday, a caller from abroad must dial 33, then 1, then the new eight-digit number beginning with the prefix 4. Similarly, to call someone in Versailles, a caller will dial 33, then 1, then the prefix 3 before the previous local number.

Beginning Friday night, callers from the Paris region to the rest of the country will dial 16, the inter-France code for the provinces, then the new eight-digit number that begins with the old area code.

Those calling the Paris region from elsewhere in France must dial 16, then 1, then the new eight-digit number.

Brazil's Children of the Streets

Crime by Minors Has Surged as Millions Fight for Survival

By Alan Riding
New York Times Service

RIO DE JANEIRO — Small, barefoot and about 12 years old, the boy reached through a car window and snatched a woman's necklace. Her scream alerted four passing men, who grabbed the youth and began beating his face and ribs. Eventually, a police car arrived and officers took away the badly bruised child.

The incident itself was not unusual. Street crime committed by minors, often carrying guns, has surged here in recent years. With it has come rising public pressure on the police to get tough. Angry crowds have occasionally caught young muggers and lynched them.

Yet the 10-minute scene acted out one recent Sunday morning in the elegant Ipanema neighborhood reflected a larger drama — that of millions of abandoned and needy Brazilian children who are growing up as illiterate, alienated and unemployable outcasts.

Forced onto the streets in order to survive, they are to be seen in any city at any time begging or shining shoes or selling chewing gum at traffic lights or bus terminals.

Statistics show that relatively few of these street children become involved in crime. But this is not the perception of the alarmed middle classes. Because many people tend to view the poor youths as potential assailants rather than victims, Brazil has been slow to address the problem of mass child poverty.

According to government figures, 36 million Brazilians under the age of 18, or about 60 percent of the total, are "needy," and seven million of these have lost all or most links with their families and have been "abandoned or marginalized."

One-third of all children between 7 and 14 — about eight million — do not attend school, and more than half the children under 6 years old are undernourished.

Now, in the more open climate brought by the recent return of civilian government to Brazil after 21 years of military rule, concerned officials, sociologists and church workers express hope that greater attention can be given to the issue.

"My first job is to denounce this situation as loudly as possible," said Nelson Aguiar, the new head of Funabem, the Foundation for the Welfare of Minors in Brazil.

"This is a political problem. A country that has the world's eighth largest capitalist economy cannot say it lacks the resources to rescue its dearest patrimony from misery."

The problem of abandoned and destitute children is common throughout Latin America. But

many sociologists say social and family disintegration are most serious in Brazil. They attribute this to a legacy of slavery, which was abolished in 1888, and a function of large-scale peasant migration from the impoverished northeast to urban slums in the south.

Mr. Aguiar said: "We work with the consequences of the failure of land, agricultural, educational, labor and health policies. We are just the visible tip of a failed social system."

Funabem, which was set up by the military regime in 1964, has 427,000 minors living in its institutions. About 150,000 have been placed under its protection by family courts, although only 14,000 of these have committed crimes.

"For lack of financial, technical and human resources," Mr. Aguiar said, "we are attending to less than 6 percent of those whom we have an institutional obligation to help."

In most of Brazil, the organization works through state welfare offices, but in Rio de Janeiro, Funabem is directly in charge of "protection homes" and reform schools for almost 4,000 minors. Its main "campus" for abandoned children, in the suburb of Quintino, illustrates the problems faced around the country.

Thaisia Vieira Lima, who runs one house at Quintino that has 22 deaf mutes among its 251 students, said: "We have a large percentage of children with mental or physical problems. We try to reintegrate them into their families, but so many are from broken families, and few mothers can cope."

Those who "graduate" from Funabem carry the stigma of having been in the institution and then face the problem of finding work.

Instead of building more institutions for destitute children, Funabem's new team has decided to decentralize, specifically by trying to persuade local groups to assume responsibility for their own children.

More complex is the problem of juvenile delinquents, who in many cases are handled roughly by the police and then sent to overcrowded detention centers where hardened teen-age criminals, including murderers, mix freely with minor offenders.

Gilberto Dantas, who is in charge of the Police Precinct for the

West German Fighter Crashes

LONDON — A West German Tornado jet fighter crashed Thursday in northern England, killing two crew members, the British Defense Ministry said. The aircraft crashed in a remote area of Northumberland while on a military exercise, a spokesman added.

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1984 Turnover Bayer World: DM 43.0 billion. Share of production abroad and exports: 79 per cent.

Turnover Bayer AG: DM 16.2 billion. Export share: 65.5 per cent.

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For further information on Bayer, please contact Bayer AG, Public Relations Department, D-5080 Leverkusen, West Germany or Bayer U.K. Ltd., Public Relations Department, Strawberry Hill, Newbury/Berkshire RG13 1JA, Great Britain.

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AUSTRIA

A SPECIAL ECONOMIC REPORT

FRIDAY, OCTOBER 25, 1985

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Alpine Dollar Equals Stability

By David Hemmings

VIENNA — No opportunity is lost in Austria to celebrate an anniversary, even if the occasion is not necessarily a nice "round" affair. There is an agglomeration of these old birthdays in 1985.

It is now 15 years since the Socialist Party took over leadership of the government, first with a parliamentary minority, then alone and, more recently, in coalition with the small Freedom Party. Thirty years ago, the country regained its sovereignty with the signing of the State Treaty, which came just 10 years after the beginning of the occupation of the country by the wartime Allies. And 60 years have elapsed since the currency reform that replaced the krone with the schilling.

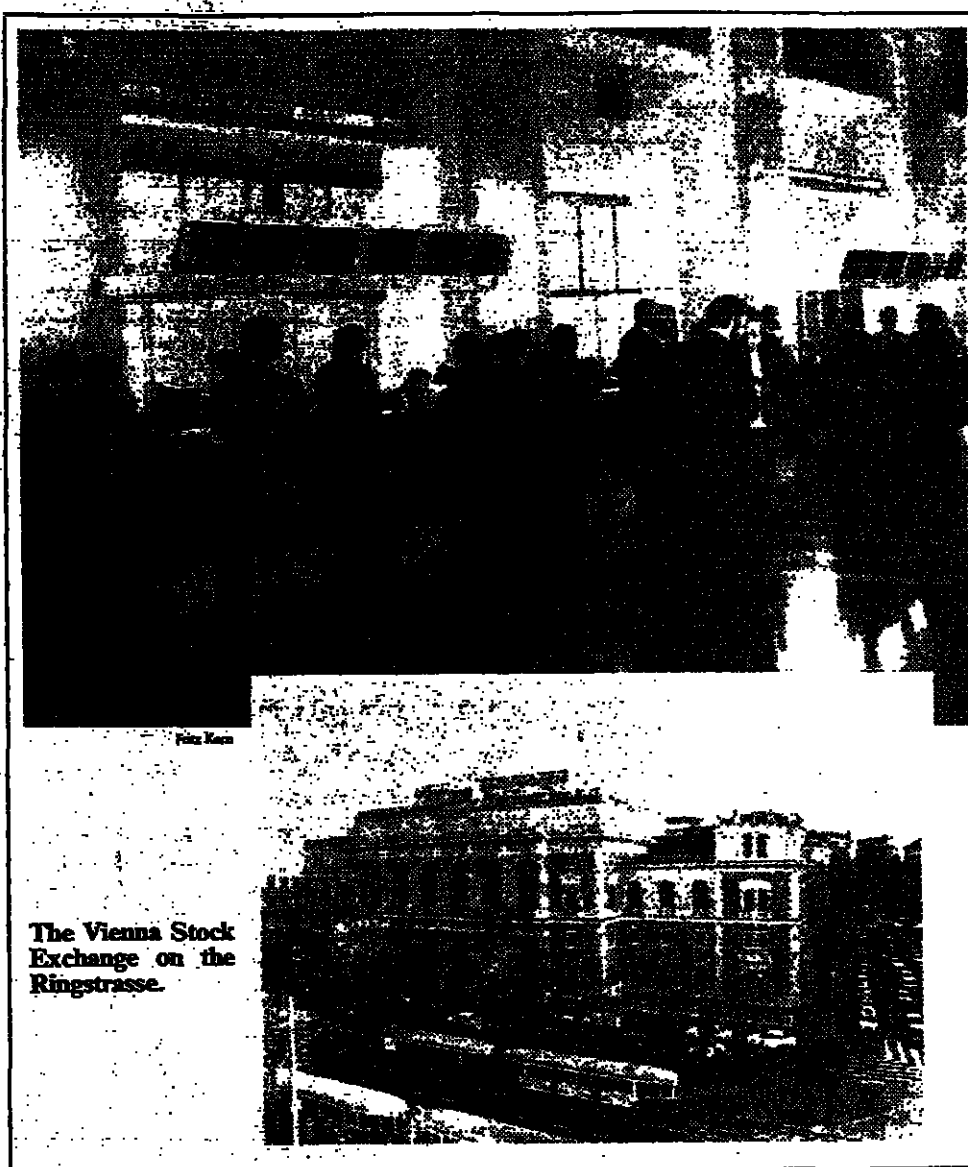
It is this "alpine dollar" that has come, for most Austrians, to symbolize the stability of the economy. The Organization for Economic Cooperation and Development, in its 1985 Economic Survey of Austria, summarized: "The overall performance has remained satisfactory: The growth rate of GDP [gross domestic product], membership rates, productivity increases, inflation and the strength of the national currency continue to compare favorably with those in most other European countries."

This has been achieved through a variety of circumstances, especially a determination among Austrians on both sides of the political fence to get the country running again after decades of neglect.

By the 1970s, the Austrian Socialists had largely abandoned dogma and were seeking pragmatic solutions. Consensus became the watchword, exemplified in a system of "social partnership."

The basic stability of the economy enabled Austria to weather the recession reasonably well. In this, it was certainly assisted by its geographical location in the heart of Europe with strong historical ties to Eastern Europe. The inherent disadvantages for trade of being a landlocked country are increasingly becoming a thing of the past. An almost completed expressway link to Trieste inspired the signing earlier this month of a treaty making the Adriatic port once again, as in the days of the monarchy, Austria's prime outlet to the sea. And the completion of the Rhine-Main-Danube canal will put Austria astride a freight waterway linking the North Sea directly with the Black Sea.

This east-west, north-south role has come into prominence recently with the emergence, during the 1980s, of major trading houses. Intertrading, a Vost-Alpine subsidiary, and Mern, owned by Chemie



The Vienna Stock Exchange on the Ringstrasse.

Neutrality Is Central Feature In Strong National Consensus

By Henry Tanner

VIENNA — Austria's neutrality will be 30 years old tomorrow. It was proclaimed on Oct. 26, 1955, as part of the constitution for the Second Republic after the last Soviet and Western occupation troops had withdrawn from Austrian soil. It was imposed by the Big Four in the State Treaty, in which the victorious powers had presented the Austrians with the unexpected gift of independence and sovereignty in May of that year.

At the time, neutrality was regarded with suspicion by many Austrians. To accept it at the hands of foreigners was seen as a price that had to be paid for freedom, a smart but vaguely humiliating act of practical politics that seemed less than honorable and might not be permanent.

Today, according to all accounts, neutrality is regarded as the permanent central feature of the Austrian state by all but a tiny minority.

"Neutrality is the most interesting and most important phenomenon of our postwar history," Gerd Bacher, director-general of the Austrian Radio and Television network, said. "No-body could have expected that the concept, which was imposed by the big powers, would take such deep roots so quickly in a nation which in its thousand years of history had never been neutral for a day or a minute."

The broadcasting network exercises what Mr. Bacher calls "active" neutrality. Its programs are followed regularly by several millions in Hungary, Czechoslovakia, Yugoslavia and other nearby Communist countries. But it makes a point of broadcasting the same news, commentaries and cultural programs to Eastern Europe as it airs for its Austrian audience.

"We are not in the business of propaganda,"

we provide serious objective information, and this is why we have unusual credibility," Mr. Bacher said. Journalistically, his network towers above the country's written press, which, with few exceptions, consists of racy tabloids dispensing sex, crime and local color.

Neutrality has been a key factor in helping Austrians adjust to their new postwar status as a small nation and to overcome their nostalgia for the monarchy or Greater Germany, Austrian politicians say.

The first republic, which succeeded the empire in 1918 and ended with the Anschluss, the annexation that made Austria a part of Hitler's Germany, was known as "the state that nobody wanted," one politician said. Until well into the 1930s, the programs of all the major parties called for unity with Germany, he said.

Today, no-one thinks of the republic as an unwanted state, and "the German question no longer exists," he added.

Joseph Taus, a banker who has twice been the conservative People's Party's candidate for chancellor, said that today's national consensus "is as strong as if it had existed for hundreds of years" instead of little more than a generation. His remark was echoed by leading Socialist politicians.

Yet the third candidate in the current campaign for the presidential election next May is a politician who argues that Austria is not a nation but culturally, if not politically, part of the German nation.

He is Otto Scrini, a physician from the southern city of Graz, who is seeking to mobilize the extreme right and to harness nostalgia for Austria's German past.

On a television program last week he did not object to being described as a man who does not recognize the existence of an Austrian nation,

and he declared that he saw no contradiction between this stand and his desire to become president.

Mr. Scrini is a member of the small rightist Freedom Party, which is the Socialists' junior partner in the government coalition. The party is split between moderates and a loosely organized extreme right wing of vocal nationalists. Mr. Scrini concedes that he has no chance of being elected but hopes that he will do well enough, with 2 percent to 3 percent of the vote, to stake out a position for the parliamentary election of 1987.

Kurt Waldheim, the former United Nations secretary-general, for the People's Party, and Kurt Steyrer, the minister of health and the environment, for the Socialists, are the main candidates in the presidential race.

Mr. Waldheim has been given a slight edge in recent opinion polls. But many politicians predict that, in the end, Mr. Steyrer will be carried to victory by his party's greater numerical

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INSIDE

Some multinationals are wondering if they are still welcome in Austria. Page 9.

Tourism, on the grand scale, remains the untested export earner. Page 10.

Agriculture and forestry employ one-fifth of the population. Page 10.

Banking: The competition is fierce, profit margins are low. Page 9.

Offsetting Imports by Trade With East and West

By Vivian Lewis

VIENNA — Austria is an inveterate and imaginative seller of its wares, to communist and capitalist countries alike. In periods when its partners to the West are in recession, and demand for Austrian goods lags, Austria's trade with Comecon countries, much of it financed by intergovernmental lines of credit, helps to offset the country's imports.

These days, apart from with the Soviet Union, business with Comecon, the East bloc trade group, is in a relative decline for most trading partners. But Austria is trying to limit Comecon sales to about 12 percent of total exports. And to further cut the risk of what is seen as excessive dependence on East bloc trade, the Austrians are seeking to diversify their trade within the communist world. Austria's communist markets, in order, are the Soviet Union, Czechoslovakia, Bulgaria, East Germany and Hungary.

Recently, the Austrians, with subsidies half from the government and half from farmers' groups, put together a sale of 100,000 tons of wheat to Poland, a country that frequently has difficulty borrowing these days. A few weeks before, Austria provided a \$344-million general credit to the Bank of China, again at below-market rates, to finance construction of 27 hydroelectric plants. Creditanstalt, the country's largest bank, was lead manager.

According to Austrian bank sources, the subsidies in the Polish and Chinese transactions are unusual. Nearly half the credits for bankable East European countries are sold off in interbank club transactions to other Western banks. Having a finance package is important: 80 percent of sales to Comecon are under previously agreed lines of credit. But in most cases today, no subsidy is needed.

"There simply is no need to encourage exports through extremely low-cost financing with Eastern Europe," Peter Pospöck, senior vice president of Genossenschaftliche Zentr

albank, said. "Interest is in line with market rates and usually tends to be higher now for longer-term capital goods trade," that is, five to 10 years.

The level of Austria's Comecon trade is not surprising, given proximity, the fact that Austria is neutral and the long economic association under the Hapsburg Empire. But the overall export finance institution, the Kontrollbank, requires that importing countries agree to sign a statement that the material is not for military use.

Meanwhile, the Chamber of Commerce is trying to penetrate new markets, most notably the United States, now Austria's fourth trading partner. One of the chamber's

The level of the Comecon trade is not surprising, given proximity, Austria's neutrality and the long association under the Hapsburg Empire.

specialists, Josef E. Schwald, noted that a high dollar makes Austrian goods cheaper, but also said that the chamber deserves some of the credit. "Many of our people have finally discovered the U.S. market, medium and large companies across all sectors," he said. Led by makers of loden and Tyrolean-style suits, more than 50 companies are showing in the New York Garment Show this month.

The chamber is in a special situation in helping to promote trade in Western countries. Instead of a diplomat, as is usual, a member of the chamber represents Austria on trade matters in most Western posts.

A tax of 0.3 percent on all imports and exports is used for trade promotion by the chamber, enabling Austria, a country of just 7.55 million people, to participate in 120 trade shows and send abroad 50 trade missions a year. Foreign trade missions also visit the country, most recently groups from China and Saudi Arabia.

Some markets remain frustrating to Austrian trade specialists. "We cannot penetrate the French market," Mr. Schwald said, "and in the first half of 1985, we actually sold more to China than to Japan, where we cannot find the door."

Overall, Austria ran a trade deficit in 1984, with imports at 392.1 billion schillings (about \$21 billion) exceeding exports of 314.5 billion schillings. West Germany is the main problem, since it accounts for 40 percent of Austrian imports and only 30 percent of its exports. About half of Austria's trade gap with West Germany is accounted for by nearby Bavaria. Exports and imports are largely of consumer goods, followed by capital goods and semi-finished goods. Austria is a net importer of food and energy.

But the country's earnings from tourism more than cover its trade gap.

Because of the importance of trade with West Germany, Austria has to peg the schilling to the Deutsche mark. Herbert Koller, vice president at the central bank, explained how this policy works. "Austria operates on exchange-rate targeting, not monetary-mass targeting. We keep our interest rate always a little bit higher than in Germany. That way we can avoid having to have a money-supply policy," he said that since 1971, the schilling has never varied by more than 2.4 percent from the mark.

While Austria is required to run general economic and price policies to control inflation, exchange-rate targeting gives it a certain leeway, for example in financing exports without having to worry unduly about the effect on money supply.



Steyr-Daimler-Puch have one Europe's most modern spot-welding machines in its vehicle plant outside Graz.

Wine Labels Have Sobered Up Since the Summer's Panic

SALZBURG — A new somberness prevails in the wine section of Salzburg Airport's duty-free shop. Instead of brightly colored labels playing on wine, women and song, the emphasis now is on chemistry. Bottlers are outdoing each other, not in special promotions, but in rigorous laboratory analyses of their vintages.

This is one of the side effects of the Austrian wine scandal of June and July, when it was disclosed that some bottlers and wine dealers had added diethylene glycol to their brew. The product, which can cause brain and kidney damage if absorbed in large doses, is normally used in vehicle antifreeze. A number of growers, traders and chemists have been arrested in the scandal.

Adding the chemical to the wine helped achieve a higher grading, and higher prices, for inferior wine, by increasing the volume of sugariferous extracts. A "quality wine" under current Austrian law, must have 18 grams (0.6 ounces) of such extracts. Otherwise, it is graded as "ordinary wine." The scandal began to break when German bottlers, who import Austrian wine in bulk to add to their own batches, discovered the chemical.

"Our learning of the extent of the scandal," Josef Weisböck, general manager of the Lower Austrian Vintner's Association, said, "was like a stone falling from heaven." Like other professionals, this cooperative winegrower and bottler admits he "suspected but did not know that chicanery was going on. I saw people getting rich on poor land."

Mr. Weisböck estimates that this year a million hectoliters (more than 26 million gallons) of wine sales, half outside Austria, have been lost because of the revelations. The panic led to a drop in sales of all Austrian wines and, in Japan, people even boycotted Austrian wines. Total annual wine production in Austria is 3.5 million hectoliters.

Cooperatives in Lower Austria and Burgenland, where most of the doctored wine came from, and in Styria were untouched by any accusations. But the cooperatives, which have about 20 percent of the domestic market and about 30 percent of the export market, now have to rebuild consumer confidence.

The cooperatives' target is to increase domestic turnover 25 percent from midsummer panic levels by the end of this year, helped by a 7-percent price increase that was allowed after the relatively poor



A vineyard near Grinzing.

1984 vintage. They feel that buyers may be reassured by the new labels saying "Officially Controlled" and by the bottle's unusual shape, which is more like a port bottle than the normal model.

Shelved for the moment are plans, made before the troubles, to promote Austrian cooperatives' wines abroad. McCann-Ericson, the advertising agency that was planning it, advised the vintners to wait a while before launching their "Amerika campaign," initially scheduled for 1986. Importers specializing in Austrian wines, like Select Wines of Dallas and Bacchus Imports of Seattle, were instrumental in getting the U.S. Treasury to lift its ban on all Austrian wines this autumn.

The Austrian parliament was called back in special session in August to pass strict new wine laws. Those laws have since been voted down by the opposition-controlled upper house, but the upper house is likely to be overridden by the lower house. Experts like Mr. Weisböck are irritated that they were not consulted in drafting the new law. He said that a strong law already existed, and if enforcement of the new law "is no better than that of the old, it is not worth printing."

— VIVIAN LEWIS



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A SPECIAL REPORT ON AUSTRIA

Austria's 'Alpine Dollar' Equals Stability

(Continued From Previous Page) Linz, are doing a high turnover in countertrade operations, and presumably making a tidy profit, although exact figures are hard to come by.

Austria's gross domestic product was a real 2.8 percent higher in the first half of 1985 than during the same period last year and is expected to reach 3 percent, the OECD average, for the whole of 1985. Unemployment is high by Austrian standards, at around 4.7 percent, but is still well below that of most other countries. Inflation, which was at 5.6 percent a year ago, looks like it will fall for 1985 as a whole to

around 3.8 percent. The forecast for 1986 is that it will decline still further to 3.3 percent.

The balance of trade, however, continues to give cause for concern and is likely to touch 80 billion schillings (\$4.3 billion) in 1985. All in all, the "package" of financial measures introduced in 1983-1984 to consolidate the budget seems to have paid off. Although there have been no reductions in direct taxes, the Austrians can still cling to their complicated network of tax-deductible allowances.

There will be an important addition to this network next year. As from Jan. 1, it will be possible to

offset the purchase of up to 40,000 schillings a person of new share issues against taxes. In addition, shareholders will only be liable for half the income tax on dividend payments. Karl Pale, president of the Vienna Stock Exchange, is jubilant about this important step toward revival of the equity market.

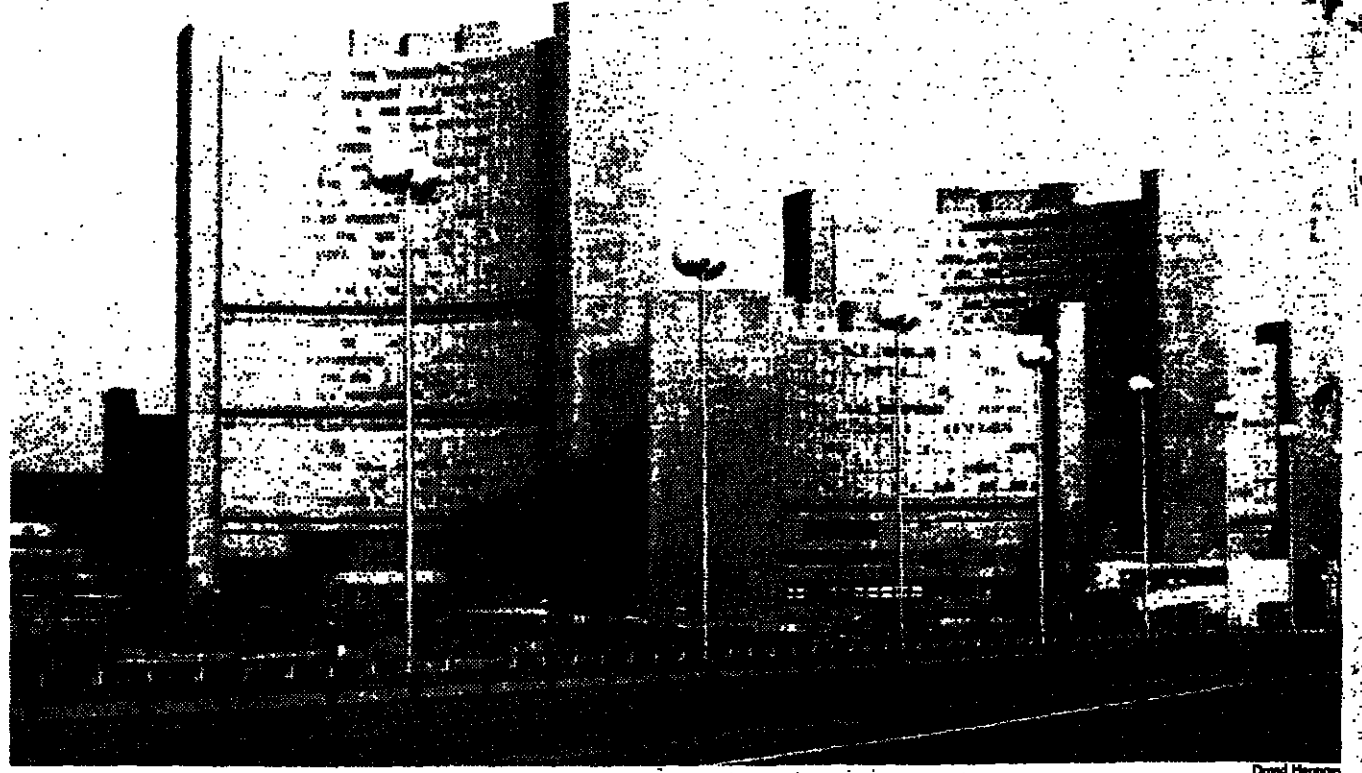
In the first half of 1985, the Vienna Stock Exchange outdid New York, Tokyo, London and Paris in comparative performance. "We succeeded in increasing the turnover by more than 350 percent over last year's figure," Mr. Pale said.

In the Austrian capital market,

bond issues are routinely oversubscribed, and dividend rights certificates consistently bring high returns.

Despite these favorable indications, Helmut Kramer, head of the Austrian Institute for Economic Research, has warned against undue optimism. In his view, "the Austrian economy shows serious symptoms of a structural crisis." He said that at the end of 1984, the proportion of Austrian goods on world markets continued to sink, whereas imports went on rising.

Mr. Kramer argues that, rather than bemoan unfavorable exchange rates, it would be better to examine what changes in Austria's economic structure and economic policy would lead to a higher degree of autonomy. Together with other analysts, he comes to the conclusion that a more international approach should be introduced into the economy, possibly by attracting more large industrial and service enterprises from abroad, and not solely from the European Community with which Austria, although not a member, has a trade agreement.



The Vienna International Center, home to several United Nations organizations.

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Booming Börse Still Evolving

VIENNA — The Austrian stock market is an "undeveloped country," according to Herbert Krejci, general secretary of the Union of Austrian Industrialists, the country's association for top managers in the private-sector industry.

In fact, one reason so much of Austrian industry remains, directly or indirectly, in the state sector, which employs one-quarter of Austrian industrial workers, may be that there is no functioning capital market yet to enable these holdings to be sold off.

According to Guido Schmidt-Chiari, deputy chairman of Austria's leading bank, Creditanstalt, "the first major new company introduced on the stock exchange in decades was brought to market by us in September." The company, Jungbunzlauer, is a major world producer of citric acid. The new issue was 18 times oversubscribed.

Helping the stock market along is a series of new incentives like the program, starting next year, to cut the double taxation of dividends by allowing stockholders a tax credit against taxes already paid by the corporation. Another program encourages individuals to invest up to 40,000 schillings (\$2,160) a year (to be raised to 100,000 schillings in 1986) in capital increases by listed companies by ending all taxes on dividends up to 30,000 schillings a year.

Chancellor Fred Sinowatz said, "We are moving in the direction of a Monetary Plan" — a French plan that allowed investment in French listed firms to be deducted from taxable income. He would give no further details.

Not surprisingly, with these incentives, the Austrian Börsen is booming. The index, after stagnating for 25 years, doubled in the year to August 1985.

Yet so far, foreigners are not placing much money in Austrian listed shares, if only because there are only 80 in all. Bernd Ertl, of Portfolio Management, an investment advisory group in Munich, said, "There is too much capital chasing too few situations in Austria. Right now, we are not recommending that German investors join in. Vienna for us is practically irrelevant."

— VIVIAN LEWIS



An underground station of the Vienna subway system.

Banking: Fierce Competition at Low Margins

VIENNA — This is an eventful time, but not necessarily a happy one, for Austria's banks.

The unhappiest bank is probably the country's largest, the Creditanstalt, whose first half deposits this year (up 20 percent) came to 346.3 billion schillings (about \$18.7 billion). This month, the Austrian parliament is due to vote 7.2 billion schillings in new funding for CA, to save its industrial subsidiaries.

Creditanstalt's troubles have little to do with the bank, which is flourishing, and much to do with its control of important chunks of Austrian industry for a variety of historical reasons. These include the need to bail out and protect companies after the post-World War I breakup of the Austro-Hungarian Empire and during the period of the 1945-1955 occupation of Austria after World War II.

As a result, Creditanstalt has almost total control of three troubled companies: Andritz, a heavy-machinery maker, 90-percent owned by CA, which is to get 3.875 billion schillings of the new funding; Steyr-Daimler-Puch, an industrial group, more than 50-percent CA

owned, to receive 2.638 billion schillings; and lathe-maker Heid, 80 percent owned by CA, which will get 550 million schillings.

Creditanstalt's deputy chairman, Guido Schmidt-Chiari, said that "political interference" blocked a Steyr sale of tanks to Chile, while Andritz took losses in an Iraqi industrial project.

Mr. Schmidt-Chiari is happier about other developments in Austrian banking, particularly a proposed banking-law revision, which will be finalized in 1986. In the interval, he applauded the so-called "gentlemen's agreement" reached in March among Austrian banks, whereby they agreed to set a floor on loan charges and a ceiling on the interest they pay depositors.

Austrian banks, in the view of experts, compete excessively and earn very low margins. One study has shown that Austria has more banks per capita than any nation in Europe. A study last year of large banks in the Organization for Economic Cooperation and Development showed that Austrian banks have the second lowest gross operating margins of comparable banks in any of the 23 member countries,

except Japan, and that they are falling. In July, The Banker, a British publication, presented data showing that Austrian bank profitability (pretax profits as a percentage of assets) is the lowest in the world, save that of India.

To cut their competition, the banks have created what Mr. Schmidt-Chiari called "a cartel, which may be a dirty word for Americans but which is legal in Austria." The rate agreement, in fact, is unenforceable by law, and it will take a lot of "gentlemanlike behavior and rationality" if it is to survive for long, according to Vice President Herbert Koller of the Austrian National Bank (the central bank).

The new banking law will set higher capital requirements on Austrian banks and to meet them the banks will have to raise their margins while cutting costs. It will require that Austrian banks bring their equity levels up to 4 percent of their liabilities from current levels of more like 2.5 percent during the remainder of the 1980s. Half of all off-balance sheet risks will have to be covered in the same proportion. Then too, the long-standing

anomaly whereby Austrian banks put their own capital on the liabilities side of their balance sheet will be ended.

In addition, the new banking law will allow Austrian banks, including those 60 percent owned by the state like Creditanstalt and Länderbank, to issue capital-participation shares, which will earn interest varying with results (up to a ceiling) and whose face value can be reduced if the bank loses money.

Holders will not have the right to vote at the annual meeting like shareholders but they will have information rights. This new bank equity will be perpetual and subordinated, and will be counted in determining the ratios. The Austrian authorities opted not to allow subordinated perpetual debentures (as in Britain) or participatory shares (as in France) so as to keep capital scarce for Austrian banks — and force them to restrain their lending.

— VIVIAN LEWIS

Foreign Investment: Clouds On Multinational Horizon

VIENNA — One out of every four Austrian industrial workers is employed by a foreign-owned company. But some foreign multinational corporations may be wondering if they are still welcome in Austria.

One reason was the vote last month by the town council of Raaba, near Graz, to ban a proposed chip-making joint venture of OKI of Japan and Voest-Alpine, the Austrian state industrial giant.

The Greens, or ecologists, of Raaba, which has 1,500 inhabitants, blocked the venture, which would have created 1,000 jobs, with a price tag of 6 billion schillings (more than \$324 million).

Chancellor Fred Sinowatz insisted that "OKI is still very interested in keeping this project in Austria — and we also favor investment in high technology here... We found the vote shocking, too. It shows that it is easier to create obstacles than to advance."

Another cloud over foreign investment is the government's axing of an incentive program that used to give foreign investors an advance of 40 percent of the cost of new plants in Austria against future tax receipts. But this is being replaced by what Mr. Sinowatz calls "a palette of new measures."

Among them, apart from the usual job-creation grants, subsidized loans and tax deductions, Austria is offering a unique free-lease program. Under this plan, the foreign investor takes delivery of a custom-built plant without incurring debt or any effect on equity. During the initial term, the government pays for up to 30 percent of the cost of the lease.

Furthermore, there are special programs, open also to Austrian companies, for research, innovation and export promotion. Additional support is being given to companies investing in microelectronics, computer-aided design and manufacturing, biotechnology and genetic engineering, funded at 250 million schillings.

This program is now being extended to cover software. Mr. Sinowatz said next year's budget includes 15 billion schillings for investment incentives.

At last count, two dozen Austrian companies had applied for the chips plant to Voest-Alpine's parent company, Österreichische Industrieverwaltung AG (OIA), according to Oskar Grünwald, its chairman.

And foreign investors are still thinking hard about Austria, too, according to Robert F. Karl, a manager at one of OIA's subsidiaries, Industrial Cooperation and Development Co., established in 1982 by OIA and the Austrian government.

The free-lease program, established in June, has found no takers yet, but talks are going on with several foreign companies.

"Most foreign countries started to get new investments earlier," Mr. Karl said, "because they had unemployment problems earlier."

— VIVIAN LEWIS

Neutrality Central Feature In the National Consensus

(Continued From Page 7)

strength. The Socialists have won all presidential elections since the war. The Austrian president is largely a figurehead. But a conservative victory would be a major upset that would spell trouble for the ruling Socialists and their chancellor, Fred Sinowatz, in the subsequent parliamentary elections.

The two main political parties have dominated the scene more completely than is the case in most countries. Party membership is uncommonly high. About 1.5 million voters, more than one in every four, are party members. The Socialists alone have around 750,000 members, and the People's Party, 600,000.

But in spite of the preponderance of the parties, or perhaps because of it, the country has gone through a period of crises, a prolonged midlife crisis, as one writer put it.

There have been scandals. This summer's wine scandal received the widest international attention.

In addition, there was the case of Friedrich Frischenschlager, the justice minister who saw fit to welcome personally a Nazi war criminal, SS Major Walter Reder, who was released by Italy early this year after 40 years in jail. The minister, a member of the Freedom Party, was admonished by Chancellor Sinowatz but is still in office. There have been a number of cases of corruption in high places and a former finance minister, Hannes Androsch, has been accused of conflict of interest and may have to face trial.

Many Austrians have become disenchanted with their parties, politicians on both sides say.

Both the government and the opposition have leadership problems. Headlines in different publications last week called the Socialists "split" and the People's Party leadership "gutted."

The Socialists, though in power since 1970, are suffering from the fact that in 1983, the last parliamentary election, they lost their absolute majority and have been forced to enter into a coalition with a politically and ideologically incompatible partner, the Freedom Party. They are still suffering also from the acute lead-in that followed the retirement two years ago of their longtime chancellor, Bruno Kreisky, and his replacement by Mr. Sinowatz.

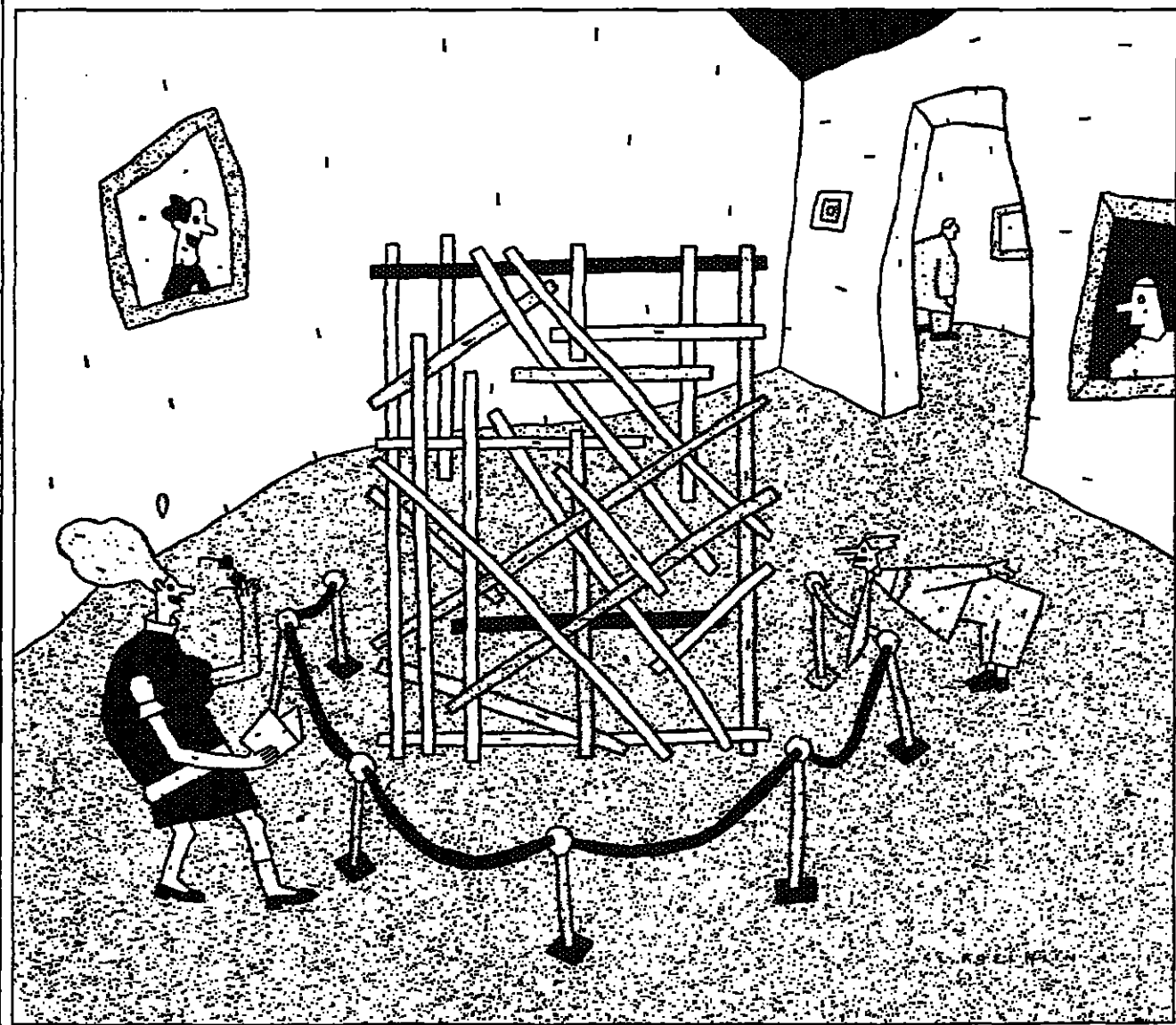
Mr. Kreisky, with his highly personal style and his well-publicized excursions into world politics in the Middle East and the Socialist International, commanded extraordinary attention at home and abroad. Mr. Sinowatz, by contrast, seems a plodding, well-intentioned and modest figure without the slightest pretense of charisma.

As for the leaders of the People's Party, they could have made their impact as Mr. Sinowatz struggled through his difficult first two years, but they failed to seize their chance.

The environment has become a prominent new issue, and several ecological groups have sprung up but failed to coalesce into a political movement. The leading parties have cranked up their own programs for the environment as a result.

There has been an erosion of public support for the parties in both camps according to all accounts, and many Austrians complain of a feeling of drift.

You are standing facing the much-praised work of art on display which is made up of 3cm diameter rods welded one on top of another. What point of the structure is nearest you in the vertical plane?



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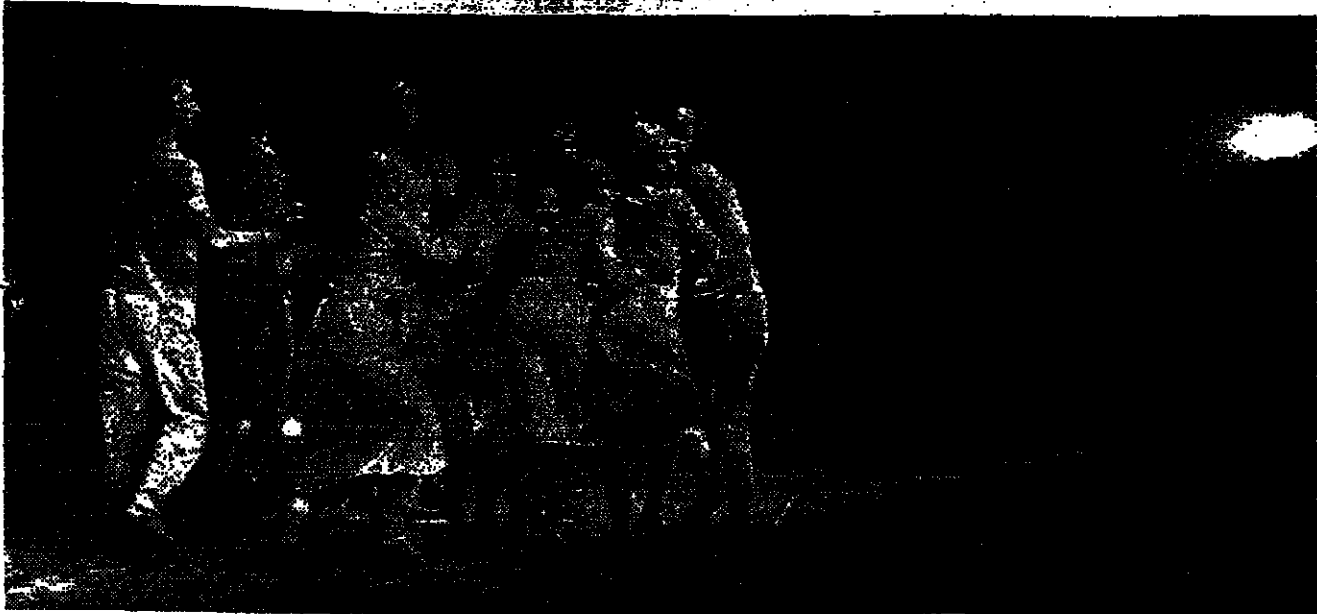
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Maguy Marin's company in "May B."

Angst and the Human Condition Come Back to Contemporary Dance

by Anna Kisselgoff

NEW YORK—The human condition—or an examination thereof—is back in vogue in contemporary dance, and nowhere is man's fate being considered more intensely by choreographers than in West Germany, France and Japan.

Ten years ago, the idea that these countries would provide the leading new and unexpected dance currents that have begun spilling over to these shores would have seemed inconceivable. Modern dance appeared to be an American preserve, willingly farmed out abroad but unable to take root even in Western Europe before the 1970s.

And then it was apparently based upon American models.

And so it may have come as a jolt to Americans watching Pina Bausch's powerful German "dance theater" or the highly original Japanese Butoh groups to realize that completely new directions in dance could emerge from unlikely places in a comparatively short time.

The new innovators use formal devices but not formalism itself. That is, these devices are a means to express emotion. Angst has been out of style in dance for some time. It is no longer so.

Social ills as defined through personal traumas that anyone can recognize make up the leitmotifs of Bausch's work. As for the French, alienation—often conveyed in poetic terms—is a consistent theme. The Japanese Butoh groups—who named their genre after an archaic ritualistic dance form—offer a more cosmic image. They place man in a universe that must be destroyed before it can be created anew.

There is great diversity among these companies even within the same countries and within the same generalized pattern. This was obvious at the recent Festival International de Nouvelle Danse in Montreal that featured 14 experimental companies from North America and elsewhere.

New York will be seeing some of these troupes this season. The Brooklyn Academy of Music's Next Wave Festival includes, for example, women choreographers from West Germany who typify the new expressionist current there. In addition to Bausch and her Wuppertal Tanztheater, there will be New York debut for Reinhold Hoffmann with her production of "Callas" by the Bremen Tanztheater and for Susanna Linke in a program of solos.

Linke studied with Mary Wigman, the pioneering figure in Germany's own modern-dance movement that went into decline after World War II. Linke is also, like Bausch and Hoffmann, a product of the Folkwang School's dance department, once headed by Kurt Jooss, in Essen.

Though these choreographers may seem to have roots in the German dance Expressionism of the 1920s, the French have less of a tradition to call their own.

One of the most talented new choreographers, Maguy Marin, will show her work for the first time in New York when she presents "May B," a dance-theater piece inspired by Samuel Beckett's plays that proved so impressive at the American Dance Festival two years ago. Marin, whose company performs in the City Center in Toulouse, was trained in classical ballet in Fontainebleau and was a member of Maurice Béjart's Ballet of the

20th Century. But certainly the movement vocabulary she now employs is a far cry from her antecedents.

As for the Butoh style, the Mutoki-Sha group will be succeeded by Kazuo Ohno, a founder of Butoh, who will share a week at the Joyce Theater in November with a younger dancer, Kuniko Kisanuki.

How do these choreographers differ essentially from Americans? Are there several factors that might serve to explain the form their work has taken? It is important to note that the seminal figures in both contemporary ballet and modern dance have been working in the United States in the last 50 years. And, whether they acknowledge it or not, American dancers and choreographers are still using Martha Graham, George Balanchine, Merce Cunningham, the Judson Dance Theater of the 1960s and other major figures as reference points.

Interestingly, Antony Tudor was the only key figure in American dance who did not loom high in the consciousness of the experimentalists of the '60s and '70s. Perhaps the current trends from abroad should be entitled "Tudor's Revenge." For he is certainly acknowledged by Bausch and Jiri Kylian, leaders of the Expressionist wave in Europe.

In the United States, movement for movement's sake has been the overriding principle for choreographers seeking new directions. And they have increasingly borrowed ideas from the minimalist aesthetic in the visual arts and in music.

The situation has been different elsewhere. Entire stages in the development of modern dance—and even of ballet (as in Balanchine's pure-dance emphasis)—have been skipped abroad. Thus the formalist phase still coloring American dance is of little interest to foreign choreographers. Unlike Americans, the younger European choreographers have not felt a need to rebel against psychological themes.

A new generation of self-taught choreographers has sprung up in experimental work abroad, and this is an entirely new phenomenon. At the Montreal festival, it was not unusual to learn that the choreographer practicing "dance theater" had started out as a filmmaker, painter or teacher of literature. As a new buzzword, "dance theater" can cover a multitude of sins.

Yet it is a perfectly descriptive term for the kind of innovative spectacles that the Butoh groups, and highly trained dancers such as Marin and Bausch, have chosen as a framework. Conventional dance movement—ballet or modern—is perceived only occasionally in such pieces. "Dance theater" opts rather for natural movement and stylized gestures to convey emotional content or human relationships.

Form, as underpinning, is very important to the best of the new work abroad. Bausch's fondness for repetition of the same gestures in different contexts is now well known. When asked if she could be attracted to working with pure form and without a need to express feeling, Bausch replies, "It's not possible to have one without the other."

This is a far cry from Merce Cunningham's view that movement in time and space carries no specific meaning. Perhaps there could be no stranger experience for an American dancer than to attend the

Montreal festival in the wake of the Cunningham company's performances. Incredibly, the troupe had not danced there since the early 1960s. Suddenly, Cunningham's work appeared as both a bafflement and a revelation again, just as it had 25 years ago.

One realized how the Cunningham revolution could have passed an entire corner of the world by when a member of the audience was heard to explain to another that he should look for "pure line" rather than anything outside the movement itself.

Much in the burgeoning new dance scene in Montreal and in France seems predicated upon the idea that ignorance of previous dance history is a spur to creativity. Nonetheless, one finds Montreal choreographers such as Gisette Laurin, who uses highly physical and risky movement for both movement studies and metaphorical relationships, more sophisticated than choreographers new to dance who see "dance theater" as a projection of dramatic images they seldom deepen.

THE current trends themselves should not be viewed from an ahistorical perspective. Theatrical dance has traditionally gone through cycles that emphasize pure movement or expressive values. The formalist phase is now again yielding to the expressive. This is seen even in the United States to some degree. Yet when the American Dance Festival introduced the first major Butoh group, Dai Rakuda Kan, to this country in 1982 and then, in 1983, selected five French experimental troupes for a U.S. debut, it was clear that a highly theatrical aesthetic had sprung up outside the American context.

Bausch and her German colleagues have roots in Central European modern dance, which flourished between the two World Wars. But there is no question that she has altered that basic body-language aesthetic to fit contemporary terms. The violence men and women inflict upon another, the fears and happiness that everyone experiences—these themes are distilled by her in an Expressionist manner.

The illusion of realism, paradoxically, defines Bausch's work. Dressed in real clothes and perceived as real people, the performers seem like us. But it is no surprise that the new dance trends in France find their context in a poetic Surrealism or the Theater of the Absurd.

The Butoh groups are certainly not without humor, usually dark, but they cannot be separated from the world that emerged after Hiroshima. Mutoki-Sha, a two-woman group headed by Natsu Nakajima, has even taken its name from the foghorn of a ship that evacuated Miss Nakajima from her home during World War II. In her meditation on life, "Niwa," she universalizes that personal trauma. The dancers are transformed from grotesque frightened children to aging women. Butoh remains significantly Japanese—as in Haiku, it offers a remote rather than a literal image to convey the message at hand.

A determinist could say that the sprawling free spirit of current French dance has its roots in the student upheavals of 1968 while the German and Japanese variants have emerged from the legacy of World War II. Unlike most American dance, this new dance from abroad can make us uneasy.

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Doctorow's Invented World

by Bruce Weber

TWENTY-FIVE years after the publication of his first novel, "Welcome to Hard Times," E. L. Doctorow is reminiscing about a letter from one of its readers. Set in the Dakota Territory in the latter half of the 19th century, the novel takes the form of journals written by the mayor of a tiny frontier town called Hard Times. It's a dark fable, a literary western by a serious young writer, that employs the town's tribulations—and the mayor's attempts to record them—to explore grand themes: the nature of American culture, the mortality of men and their civilization, the eternalness of art.

"The letter was from Texas," Doctorow says, "and obviously from an elderly woman, written in a shaky hand. She wrote, 'Young man, when you said that Jenks enjoyed for his dinner the roasted haunch of a prairie dog, I knew you'd never been west of the Hudson. Because the haunch of a prairie dog wouldn't fill a teaspoon.'"

Doctorow pauses and grins, the professional storyteller timing a punch line: "She had me. I'd never seen a prairie dog. So I did the only thing I could do. I wrote back and I said, 'That's true of prairie dogs today, Madam, but in the 1870s . . .'"

A small story, but it illustrates nicely the audacity Doctorow presumes as a novelist, his unbridled subordination of fact to invention, his belief that the novelist's imagination is autonomous.

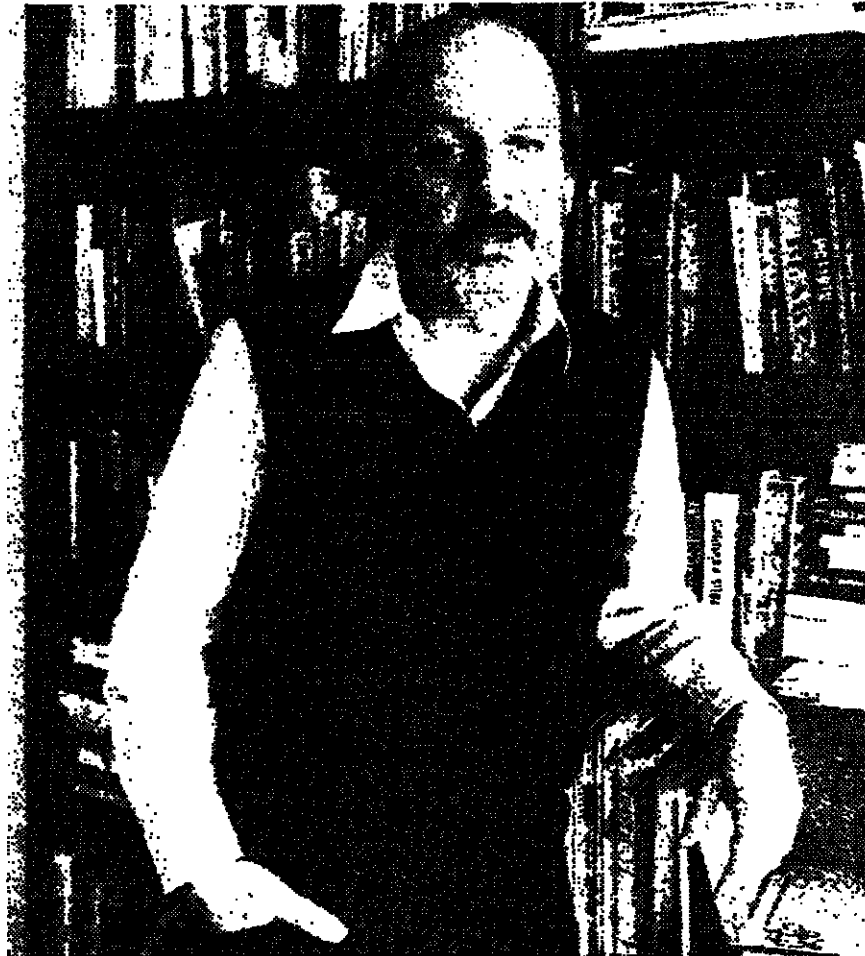
Edgar Lawrence Doctorow is 54, and on almost anyone's list he is counted among the leading dozen serious American novelists today. Although he is not simply a writer of entertainments, his books sell widely, and three—"Ragtime," "The Book of Daniel" and "Welcome to Hard Times"—have been made into movies. Readers, some critics excepted, have come to relish the blending of fact and fiction that marks his odd scrutiny of the American past. His seventh book, "World's Fair," will be published next month, and in it he turns his historically inventive method on himself, drawing heavily on material gleaned from his 1930s boyhood. "Growing up in the Bronx, without the egg cream" is the author's flip description, but he has also called it "a portrait of the artist as a very young boy," and that is perhaps closer to what he has attempted. Although outwardly his quietest novel, "World's Fair" uses the Bronx, much as Joyce did Dublin, as a window through which to witness the tremors of a whole society.

Doctorow's diverse and unpredictable fiction is known for its juxtaposition of familiar cultural, political and historical markers with prominent fabrications. But it is marked by a narrative style that is forthright, declarative and presumptuous of verisimilitude. In "Ragtime," his chronicle of America hurtling toward World War I, Doctorow embellished his narrative with depictions of unlikely occurrences in the lives of famous people: secret meetings between Henry Ford and J. Pierpont Morgan; Freud and Jung visiting Coney Island and boating together through the Tunnel of Love; Harry Houdini's encounter with the Archduke Francis Ferdinand.

The magic of "Ragtime's" invention was persuasive enough to win for Doctorow the National Book Critics Circle Award for fiction. And the novel garnered enough notoriety to sell more than 200,000 copies in hard cover its first year; paperback reprint rights were purchased by Bantam Books for \$1,850,000, then a record figure.

DOCTOROW's subject, to speak broadly, has been the evolution of the American perspective. He is interested in how our past is responsible for us as we are now. His novels shed their most provocative light on the contemporary world, and thus none of them could aptly be described as historical fiction in the conventional sense. "I have this concept of history as imagery," he says, "and therefore as a resource for writing. This is a very volatile source, constantly changing, enormous. Every few years, there's a great infusion of immigrants, immigrant cultures. And so it's extremely difficult to find whatever community there needs to be for a writer and readers to exist together. Somehow, I must have perceived that what we have in common is this country's history."

This is a good time for Doctorow to reflect on his craft. He has just completed "World's Fair," for which Random House has scheduled an initial printing of 100,000, the largest for any Doctorow novel. Its main narrative takes the form of a memoir, beginning with the narrator's earliest recollections of his



E. L. Doctorow.

infancy and concluding before his 10th birthday with two forward-looking visits to the futuristic World's Fair of 1939. Doctorow's sixth novel, it follows a year after "Lives of the Poets," a collection of six stories and the title novella, the latter ostensibly an examination of the mind of the man who has written the stories. In his new book, he has named the protagonist after himself, the members of the boy's family after those of his own. He sees the novel and the novella as connected, portrayals of the writer's life from the two chronological ends of it he knows, but he says quickly that though the lives of his most recent protagonists superficially resemble his own, they are, at bottom, invented.

Doctorow's novels have, it would seem, been largely imitated. Until recently, his life has been sparsely evident in his fiction. The book before "Lives of the Poets" was "Loon Lake" (1980), the story of an enterprising drifter during the Depression. Before "Ragtime" came "The Book of Daniel" (1971), which had at its center the Rosenberg conspiracy trial of 1951.

By any standard, it is a strong output: experimental fiction that resists categorizing. "Daniel," with its exploration of American radicalism, "Loon Lake," with much of its focus on 1930s labor issues, and "Ragtime," with its indictment of a complacent upper class and its portrayal of scabrous capitalists, have caused Doctorow to be seen as ideologically allied with the political left and identified by some critics as a political novelist. He has, in fact, given time to several liberal causes, speaking recently in New York against apartheid and at a rally opposing further nuclear-arms proliferation in Chicago.

Doctorow was educated at Bronx High School of Science and Kenyon College in Gambier, Ohio, where he was a student of the critic John Crowe Ransom and a classmate of the late poet James Wright. He spent a year in the graduate program in drama at Columbia, where he met his wife, the novelist Helen Hensley, before serving in the military from 1953 to 1955. Jenny, the first of their two daughters, was born in an army hospital in Frankfurt. He had hoped, on returning to civilian life, to support his family on his mustering-out pay, while he wrote a novel. The plan proved unrealistic and he had to seek steady work, first as a reservations clerk at La Guardia Airport, and then as a reader for CBS Television and Columbia Pictures.

"I was reading a book a day and writing a synopsis," he says. "It's actually not a bad apprenticeship for a writer. You can't help but develop an editorial capability, doing that kind of work on a daily basis. It's also good for young writers to see how much bad stuff is published. It's very encouraging."

He wrote "Welcome to Hard Times" in response, he says, to all the dreadful genre novels he was exposed to, and shortly after

completing it, he went into publishing as an editor, first at New American Library, subsequently as a precocious 33-year-old editor in chief at Dial Press, and eventually the publisher there as well. "There was a wonderful sense of indeterminacy floating through that place," Doctorow says. "It was a 60-hour-a-week job, easy. And I found myself dealing with formidable literary personalities—Jimmy Baldwin, Mailer, Vance Bourjaily, Tom Berger—but it was a very small, unbusinesslike place."

BY the time he had decided to leave Dial in 1968, he was at work on what would become his third novel, "The Book of Daniel." It was a decision he made with initial misgivings. "Big as Life" (1966) had been received coolly, and he was struggling with the new book. He withdrew from Dial by increments, first with a three-month leave of absence with pay, then with a second three-month leave, which he subsidized himself. By that time, he had been offered his first teaching post, at the University of California at Irvine, and he took it.

"World's Fair" reconstructs the early life of Edgar Allan Poe, now a middle-aged man attempting to put straight for himself the seminal events of his past. Edgar's chronologically ordered remembrance is the novel's central body, and it is concerned with fundamental things: first and foremost, a child's home and family; second, his initial venturings away from them. This is augmented by the commentary from Edgar's family members. We hear from several of them, the prominent exception being Edgar's father, who at the time of the memoir has been dead for years.

The narrator's voice shares qualities with the author's spoken one. They have the same quietude, the same insistent, exploratory hue. Then, too, his memoir has technique, which is to mimic in its quality of observation and deduction the maturation of a child's mind. As the young Edgar's engagement with the world at large grows, his personal revelations are informed by it with increasing frequency. Thus, his parents' squabbling over practical matters is seen in clearer light as the boy begins to perceive the cruel economics of the Depression. By the time the novel ends, he's aware of life's enormous dimensions. Earnest, baffled and healthy, he's about to be spilled into his future.

"I wrote the book on the presumption—which I realized after I started—that a child's life is morally complex," Doctorow says, "and that a child is a perception machine. A child's job is to perceive, that's his business. So the novel is the sentimental education of a kid, which simply stops at the age of 10. And I had material at hand. I grew up in the Bronx. It is true that I have an older brother Donald, a mother named Rose. We

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In Raul Ruiz's Cinematic Labyrinth

PARIS—Raul Ruiz is 44 years old, a Chilean who lives in Paris and who since 1967—or perhaps it was 1960, it depends on how you count and who is counting—has made so many films that no one can reach a likely total, including Ruiz.

Last year he was in Portugal for lighting tests for his first relatively big-budget pic-

MARY BLUME

ture, "Treasure Island," and while doing the tests he made three other films as well as a three-part children's tale. While sitting in a room in a Los Angeles Holiday Inn waiting for audition actors for "Treasure Island," he wrote the scenario for another film. If sheer quantity suggests that his films are ill-made or casually tossed off, this is not true. If it suggests that they are not always easy to follow, this is certain.

His latest film, which opened to politely baffled reviews last month in four Paris movie houses, is called "L'Événement du Pont de l'Alma," and it contains several Ruiz themes—dreams and awakenings, the transfer of personalities, magic and death. The film's star, Michael Lonsdale, said he certainly enjoyed working with Ruiz but hadn't the slightest idea what it was all about since he

was given no script but scraps of dialogue each day, which Ruiz then shot or not.

"He wrote scenes in order to get a story, the opposite of the usual way," says Chantal Poupaud, whose 13-year-old son, Melvil, has played in five Ruiz films in a relationship reminiscent of François Truffaut and Jean-Pierre Léaud.

Melvil plays Jim Hawkins in "Treasure Island." So does Jean-Pierre Léaud, who is now 41. The film includes an undisclosed number of films and the pirates have become mercenaries. It was shot in French and in English, which Ruiz does not speak, and it was co-financed by Cannon Films, the Israeli hustlers now making a dash toward artistic quality (they also financed Robert Altman's "Popeye" at a relatively low cost).

Ruiz sometimes makes a film for \$5,000 and says having a lot more money made no difference except that he had to use American actors such as the TV veterans Martin Landau and Vic Tayback, whom he came to like a great deal.

"American actors can be capricious, though," he says. "They actually want chains to sit in between shots."

Ruiz is amiable, round-faced and married to another Chilean filmmaker, Valeria Sarmiento. His conversation, like his films, veers in unexpected ways ("The Assumption

of the Virgin only became dogma in 1950. Eight years before Sputnik went up, she did," he remarks over a plate of couscous, piously gazing upwards), and his work is filled with untraceable allusions.

Widely unknown, he is deeply respected. Both Cahiers du Cinema and Positif, France's leading film magazines, have given him special issues and he has had retrospectives in London, Rotterdam, Avignon and Madrid. "Three Crowns of the Sailor" was the talk of the 1984 New York Film Festival. "He is a wonderful man, totally original," says Michel Ciment, a Positif editor. "He's one of the few people who always avoid cliché and whose approach is somehow parallel to our own."

ON the commercial circuit he is pretty much a flop. "None of my films does well," he says calmly. "There is a logic to them, but it drives people mad. I have a small public but it's always the same public, and half of them are professors of film." The first Ruiz film one sees makes no sense; after a few, one stops seeking a sense and suspends disbelief. The other day he held a marathon screening of the eight films he made in the year 1984. One of them was "Richard III."

"It's pure Shakespeare," he said during

the lunch break. "Except that I've given it a happy end."

The word labyrinthine is often used of his work, but this suggests a linear approach, however cockeyed. Ruiz describes his world better during lunch by outlining a rectangle on the tablecloth and quickly tracing diagonals and aborted little tracks within it. "He draws on all sorts of references, whatever he has in his head at the time," says Pierre Hodgson, who worked on the script for "Treasure Island" from Ruiz's outline. Hodgson noted references to Herman Melville's "Benito Cereno" in "Treasure Island." Ruiz also cites an Iranian novel and G. K. Chesterton, whom he loves ("the more you read Chesterton, the more you like Ruiz's films, and vice versa," says Cahiers du Cinema). In essence, says Hodgson, in an understandable cop-out, "Treasure Island" is a tribute to Robert Louis Stevenson. "You can see copies of the book lying about. The characters are playing a game around Stevenson."

In Chile, Ruiz studied law, cinema and theology. A supporter of Salvador Allende, he was also accused of rightist views when he criticized aspects of the Allende regime. After Allende's murder, he fled to France, having received death threats, and his life in Paris was at first complicated by the fact that a Brazilian director chum, when high on



Raul Ruiz.

drugs, used to call the police and state that Ruiz was in fact the terrorist Carlos.

Like many Latin American artists, Ruiz is greatly influenced by British and American literature. "Faulkner and Henry James have the widest influence on Latin Americans. It is a way of escaping from Spanish culture which is so narrow, so realistic—there is nothing more anti-magical."

The frame of reference he brings to his work is too wide to permit the tracing of

allusions. A short documentary on the Loire château of Chambord included studies of the château as seen through the eyes of a medieval Thomist and the German philosopher Fichte. His inspirations range from Max Beerbohm's "Enoch Soames" to Margaret Mead. His technical virtuosity is stunning. In Paris, he feels the pain of exile but also he warns of its dangers. Contrary to what Brecht said, exile inspires forgetfulness of

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TRAVEL

Restoring Timeless Istanbul

by Henry Kamm

ISTANBUL — The Bosphorus continues to flow between green hills studded with mansions, separating not only the halves of a city but also two continents. This gives, as it has done for generations of travelers on its powerful currents, an altogether exceptional sense of immersion in the civilizations that have crossed back and forth between Europe and Asia, altering and enriching one another.

The timeless splendors of the churches of St. Sophia and St. Saviour in Chora, the Blue Mosque, the Mosque of Suleiman the Magnificent and Topkapi Palace are what they always were, each the goal of countless visitors through the centuries. This great city, akin to Jerusalem and Rome, enfolds the foreigner with a consciousness of the continuity of a singular history that has deeply marked the shape of our world.

It is as though nothing essential has changed in Istanbul, and yet this huge city of undefined boundaries grows constantly, the quality of its life declining as it spreads. For those who have become the sprawl of uncontrolled industry, which has turned the fabled Golden Horn into a cesspool and made the city painfully overcrowded and too often ramshackle, there is cheer in an unusual restoration project conducted by the Touring and Automobile Association, a semi-public body with the goal of bringing back beauty gone to seed.

For the tourist, the project — a brainchild of the association's director general, Celik

Gulersoy — provides a variety of sights that enhance a visit to Istanbul and make it more pleasurable by adding comfort where there was none. It offers such material benefits as an exceptionally beautiful hotel and several pleasant places for a bite to eat or to rest sightseers feet before continuing the conquest of the city.

The Church of St. Saviour in Chora, along with St. Sophia the finest flower of Byzantine art, is a veritable museum of late Byzantine art. Its remarkably well-preserved mosaics and frescoes, uncovered and restored by the Byzantine Institute of the United States in the 1950s, dates from the early 14th century.

Since the Touring Association began its restorations in the late 1970s, the section in which the church is situated has become by itself worth a visit. The Ottoman residential houses surrounding the church, known to taxi drivers by its Turkish name of Kartiyé Camii, have been beautifully renovated and repainted in pastel colors, and continue to be inhabited by their original tenants.

A ground-floor shop in the house directly opposite the church entrance has been made into a coffee, tea and pastry shop called the Pudding House. The equivalent of about 75 cents buys a sweet Turkish milk pudding; for about \$1 one can have coffee or tea with it. The square in front of the church has been closed to traffic and a garden terrace installed, where in the shade of trees the shop's specialties can be sampled. The yard behind the church has been converted into an idyllic garden, where one can rest after being stung by the brilliance of the church's interior.

Mosaics dazzlingly depict the lives of Christ and the Virgin, particularly the majestic Christ Pantocrator directly over the door that leads from the outer to the inner narthex. And there is a strength and tenderness in the marvelous frescoes, which are in a burial chapel on the extreme right of the church. The church is open from 9:30 A.M. until 4:30 P.M., but closed Tuesday.

St. Sophia, which does not celebrate a woman but Divine Wisdom, in Greek, has been restored many times but remains largely what it was in 537, when it was dedicated. Its enormous volume, sustained by buttresses added in the 14th century, and marked by minarets added at each corner after the Byzantine church became a mosque in 1453, awes even after repeated visits. The 14th-century mosaic of Christ flanked by the Virgin Mary and St. John the Baptist in the right-hand gallery can be seen many times and still be moving.

The Mosque of Suleiman (1557) and the Blue Mosque (1616) — the latter's formal name is the Mosque of Sultan Ahmet I — are the most famous of the imperial mosques. Both are magnificent, but if a visitor has time for only one, Suleiman would be a good choice, for the splendor of its courtyard setting. The Topkapi Palace Museum gives a sense of the grandeur in which the Ottoman sultans lived. But for me, the palace's principal attractions are its collections of Chinese porcelains and Persian and Turkish miniatures.

RIGHT off the Bosphorus Bridge, atop Camlica Hill, the Touring Association has brought to new life a formerly popular excursion spot that had fallen into neglect and disuse. Starting with thousands of tons of soil brought from elsewhere, planting hundreds of trees, acres of lawn and flower beds, Gulersoy's team of architects, planners and landscapers created a pleasure park that recalls an era when Istanbul people came to the hill for a rustic outing.

Horse and bullock carts rebuilt in the style of the last century are available for leisurely rides along a path that presents marvelous views of the Bosphorus and its ever-flowing, varied traffic of Soviet, Romanian and Bulgarian freighters and occasional naval vessels, sometimes incongruously sailing past the modest boat owned by the U.S. Consulate General, Turkish fishing boats and pleasure craft, water-skiers and swimmers.

Two restaurants serve light meals and refreshments, and seven kiosks are scattered about offering snacks and drinks. The same simple menus and modest prices as at the other Touring Association projects prevail. A little farther up the Asian shore, the association has restored the magnificent Art Nouveau summer palace of the last khedive and installed a restaurant and some hotel rooms.

The great Covered Bazaar is on every tourist itinerary, and it deserves such attention for its animated atmosphere, which proves that commerce is a form of civilization, and for the richness of temptations in carpets and kilims, copper and brassware, bangles and baubles.

But no place in Istanbul is livelier and more unexplored — may Gulersoy never think of it — than the bazaar known to Turks as Misir Carsisi or the Egyptian Market, and to tourists as the Spice Market. Spice it sells, and in great quantity, but that is only the beginning. One can also buy everything that needs to be spiced, including the original Turkish version of what New Yorkers somehow believe to be a Romanian Jewish specialty, Pastrami, or as the original Turkish name has it, pastirma, is in fact a spiced meat that the Turks brought to Romania when they ruled that country and Romanian Jews contributed to American gastronomy when they immigrated.

Meats and cakes, honey and pistachios,



Street scene on Istiklal Caddesi.

in a section dominated by the New Mosque, which dates from the 17th century.

In fact, the entire neighborhood is a bustling and noisy market quarter devoted to getting and spending, which rewards a stroll with many smiles directed at foreigners, joking invitations to buy things that tourists don't use and offers to sample the wares.

The atmosphere is authentic, there is surprisingly little jostling, and there is no better way of taking the pulse of the city.

ABOVE the entrance to the Spice Market, Pandeli Restaurant serves excellent traditional Turkish cuisine, but only lunch. Sea bass in parchment is a specialty, and the choice of baklava and other sticky Turkish desserts, with names less known to Westerners, is impressive. (Count about \$35 for two; tel. 527.3909).

Excellent fish dishes, as well as fish and

candied fruit and every other form of Turkish delight are neatly stored in tiny shops that each contain more than they seem capable of holding without bursting. The sellers are happy to explain, in scraps of foreign tongues amplified by sign language, the sometimes mysterious contents of their bins and jars, or to mix on request specific herb medicines for anything that might ail the customer.

The market is remarkably free of the three scourges that have marred many visits to Middle Eastern marketplaces — dirt, dishonesty and aggressively clinging sellers. Everything is relatively inexpensive, and spending \$5 can provide a morning or afternoon on fun, along with a few packages to take home.

The Spice Market is at the Stamboul end of the Galata Bridge over the Golden Horn, vegetable hor d'oeuvres, are traditional in

the waterside row of restaurants at Arnavutkoy, on the European side of the Bosphorus. The atmosphere, including violin and piano music, is nice at Antik (tel. 163.6627, reserve for a table on the terrace on the water). Dinner for two will run about \$30, as it will at the pleasant Bebek Hotel restaurant (163.300), where the sunken dining room puts the diner roughly at water level. The terrace is a traditional meeting place for a drink.

The Haci Baba (49 Istiklal Caddesi, tel. 144.1886), in the Taksim district, where most of the best modern hotels are situated, serves a great variety of well-prepared traditional Ottoman dishes. Entrees — eggplant and lamb are particularly recommended — are chosen by sight without benefit of menu; the tab can run as low as \$15 for two. The pleasant garden of an Orthodox church, on which the restaurant's terrace faces, is an added benefit in a noisy downtown district.

The association's most direct contribution to tourism is the Konak Hotel (Sultanahmet; tel. 528.6764, 51.150 or 51.151; \$32 single, \$43 or \$55 double), a luxurious conversion of a 19th-century wooden mansion into a stylishly furnished hotel. The green-and-white mansion stands within easy walking distance of St. Sophia and the Blue Mosque. Breakfast and drinks are served in a shady rear garden centering on a marble fountain transferred from a palace in Yildiz Park.

The Istanbul Hilton (Cumhuriyet Caddesi, tel. 146.7050) is one of the best in the chain. Half of its rooms face the Bosphorus, and their balconies provide one of the most stimulating views anywhere. A double costs \$77 to \$100.

The Sheraton (Taksim Parki, tel. 148.9000) offers similar comfort in the same neighborhood, but farther from the Bosphorus. Doubles are \$80 to \$110. The nighttime view from its terrace over the illuminated mosques and palaces is splendid.

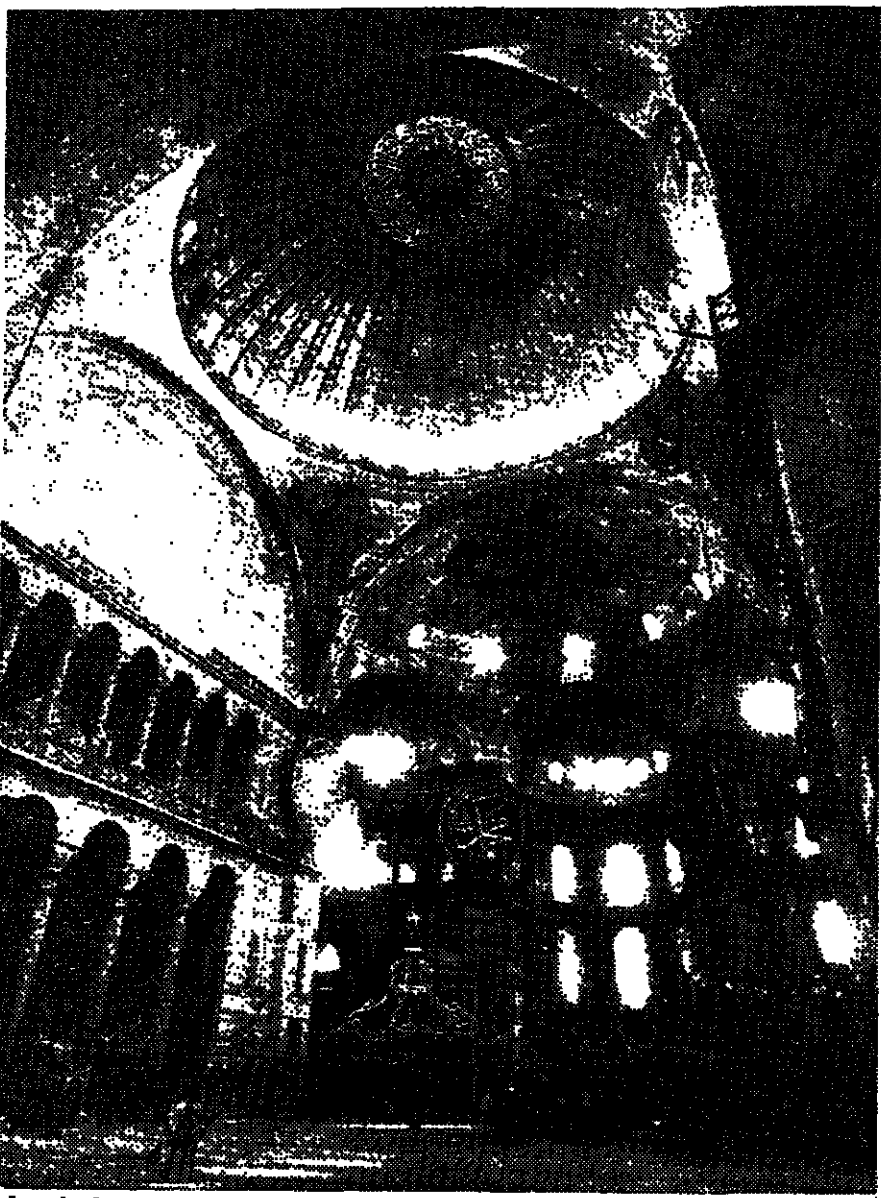
The Divan (Cumhuriyet Caddesi, tel. 146.4020) is also in the same district. Doubles run from \$33 to \$62.

The Macka Hotel (35 Eytim Caddesi, tel. 140.1053) is modern, not far from the Bosphorus and charges \$38 for a double.

Traditionalists prefer the Pera Palas, once the most fashionable hotel of Istanbul; it was recently renovated and it is downtown, next to the U.S. Consulate General, at 98 Mesrutiyet Caddesi (tel. 145.2230). A double costs \$35.

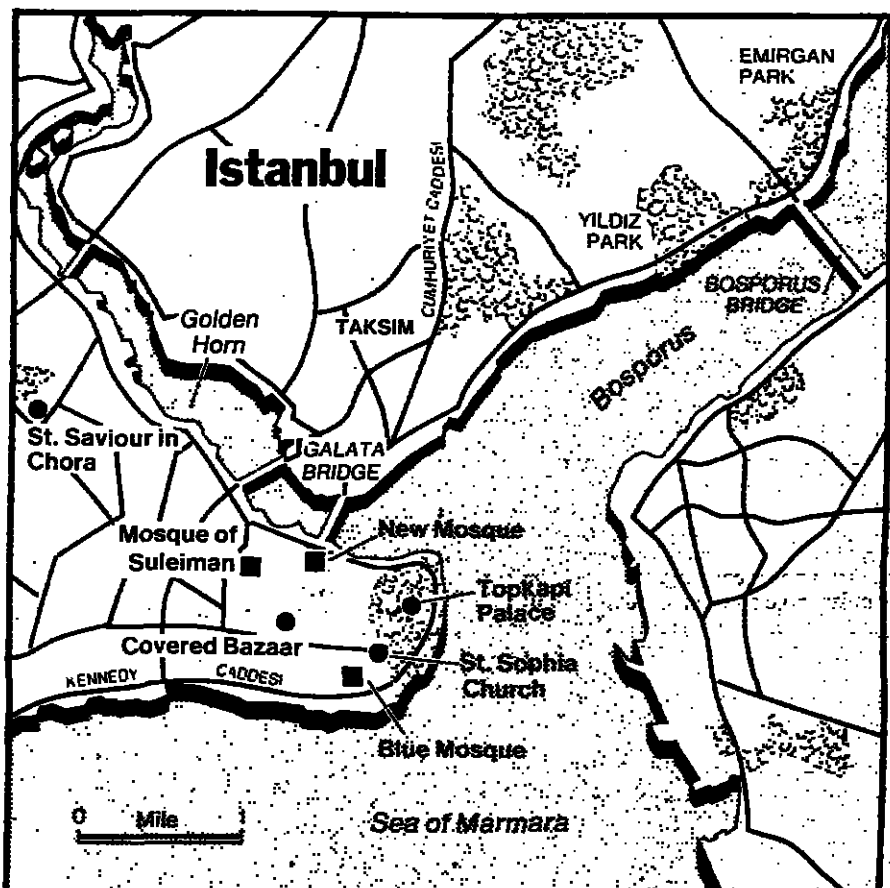
The Touring Association has published a brochure that can be obtained by writing to 364 Sisi Meydani, Istanbul.

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Inside St. Sophia.

Bruno Barbey, Magnum



The New York Times

INTERNATIONAL DATEBOOK

AUSTRIA

VIENNA, Bösendorfer Hall (tel. 65.96.51).
RECEIPTS — Oct. 28: Sylvia Sagmeister piano (Beethoven, Ravel).
Oct. 29: Pier Luigi Corona guitar (Albeniz, Paganini).
CONCERTS — Oct. 26 and 27: Vienna Symphony Orchestra, Wolfgang Sawallisch conductor (Schumann, Strauss).
Oct. 26: Vienna Chamber Orchestra, Philippe Entremont conductor, Josef Feghali piano (Haydn, Mozart).
Oct. 29: The Chamber Orchestra of

Europe, Heinz Holliger conductor (Berg).

Oct. 31: London Symphony Orchestra, Claudio Abbado conductor, Maria Ewing soprano (Mahler, Berg).
Nov. 1: ORF Symphony Orchestra, Andrew Davis conductor, Julia Varday soprano (Britten), London Symphony Orchestra, Pierre Boulez conductor, Hanna Schwarz alto (Schubert).
RECEIPTS — Oct. 27: Käte Wirtlich, Piano (Berg).
Oct. 28: Musikverein (tel. 65.81.90).
CONCERTS — Oct. 26: Vienna Philharmonic Orchestra, Leonard Bernstein conductor (Schumann).
Oct. 27: Tonkünstler Orchestra, Rolf

WEEKEND

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BELGIUM

BRUSSELS, Musée de Costumes et Dentelle (tel. 511.27.43).
EXHIBITION — To Nov. 1: "Opera Costumes from 1959 to the Present."
Oct. 30: Kichl Quartet, Helmut Deutsch piano (Brahms, Schumann).
BALLET — Oct. 30: "Daphnis and Chloé" (Fokine, Ravel).
OPERA — Oct. 25: "Lohengrin" (Wagner).
Oct. 26 and 29: "Don Giovanni" (Mozart).
Oct. 31: "The Knights of the Rose" (Strauss).

ENGLAND

MANCHESTER, Palace Theatre (tel. 236.99.22).
OPERA — Oct. 29 and Nov. 1: "Carmen" (Bizet).
Oct. 30: "Idomeneo" (Mozart).
Oct. 31: "A Midsummer Night's Dream" (Britten).
LONDON, Barbican Centre (tel. 638.41.41).
CONCERTS — London Symphony Orchestra — Oct. 26: Claudio Abbado conductor, Rudolf Serkin piano (Beethoven, Mozart).
Sept. 28: Gerard Schwarz conductor, Pierre Amoyal violin (Stravinsky).
Oct. 27: Royal Philharmonic Orchestra, Sir Charles Groves conductor, Ramzi Yassa piano (Tchaikovsky).
EXHIBITIONS — To Nov. 3: "Egyptian Landscapes: Weaving from the School of Ramses Wissa Wassef," "Roderic O'Connor," "Vera Cunningham and Matthew Smith," "Gwen John."
Oct. 30: Watgate Seven + One. "Le Petit Opportun" (tel. 42.36.01.36).
JAZZ — Oct. 29: Cécile Arim, Jean-François Jenny Clarke, André Cosselli.
LONDON Coliseum (tel. 836.01.11).
OPERA — Oct. 25, 28, 31: "Don Carlos" (Verdi).
Oct. 26: "Rigoletto" (Verdi).
Oct. 29: "Faust" (Gounod).

Reuter conductor (Mahler, Schumann).
Oct. 28: I Solisti Veneri, Claudio Scimone conductor (Rossini, Vivaldi).
Oct. 30: Kichl Quartet, Helmut Deutsch piano (Brahms, Schumann).
BALLET — Oct. 30: "Daphnis and Chloé" (Fokine, Ravel).
OPERA — Oct. 25: "Lohengrin" (Wagner).
Oct. 26 and 29: "Don Giovanni" (Mozart).
Oct. 31: "The Knights of the Rose" (Strauss).

FRANCE

PARIS, American Center (tel. 43.35.21.50).
EXHIBITION — To Nov. 30: "William T. Wiley California I." (tel. 47.20.71.50).
EXHIBITION — To Nov. 5: "Henri Serres and Claude Vallet."
Centre Georges Pompidou (tel. 42.77.12.33).
EXHIBITIONS — To Nov. 11: "Raymond Mason, Jean-Michel Alberola, Viswanathan, Gulham, Mohamed Said."
To Dec. 16: "Matia."
To Jan. 1: "Kioe et la Musique."
Eglise St. Severin (tel. 47.64.15.28).
RECEIPTS — Oct. 29: Andre Isoir organ (Bach).
Galerie Guigné (tel. 42.66.66.88).
EXHIBITION — TO NOV. 23: "Comme."
Galerie Isy Brahott (tel. 43.54.22.40).
EXHIBITION — To Oct. 31: "John de Andrea."
Galerie Lahumière (tel. 47.63.03.95).
EXHIBITION — To Oct. 30: "Andre Masson."
Hôtel Méridien (tel. 47.58.12.30).
JAZZ — Oct. 28-Nov. 16: Wild Bill Davis.
Le Petit Journal (tel. 43.26.28.59).
JAZZ — Oct. 28: The Blue Doctors.
Oct. 29: Patrick Sautouss Swing Quartet.
To Dec. 16: "Matia."
Le Petit Opportun (tel. 42.36.01.36).
JAZZ — Oct. 29: Cécile Arim, Jean-François Jenny Clarke, André Cosselli.
Musée d'Art Moderne (tel. 47.23.61.27).
EXHIBITIONS — To Jan. 5: "Vera Sackley." "Modern Masters from the Thyssen-Bornemisza Collection."

GERMANY

BERLIN, Deutsche Oper (tel. 34.144.49).
Nov. 1: "Wozzeck" (Berg).
Philharmonie (tel. 25.48.8-0).
CONCERT — Oct. 27: Berlin Symphony Orchestra, Boris Iwanov, Tomislav Baynov piano (Gershwin).
JAZZ — Nov. 1: Miles Davis.
COLOGNE, Oper der Stadt (tel. 21.25.81).
OPERA — Oct. 26: "La Gazza Ladra" (Rossini).
Oct. 27: "Lucia di Lammermoor" (Donizetti).
FRANKFURT, Café Theater (tel. 77.74.66).

IRELAND

DUBLIN, Abbey Theatre (tel. 744.505).
THEATRE — Through October: "Souper Sullivan" (Hart).
Douglas Hyde Gallery (tel. 77.29.41).
EXHIBITION — To Oct. 27: "Sources."
Dublin Civic Museum (tel. 77.16.42).
EXHIBITION — Through October: "18th Century Popular Music in Dublin."
Gate Theater (tel. 74.40.45).
THEATRE — Through October: "The Mask of Mysteri" (Leonard).
Hendrick Gallery (tel. 78.60.62).
EXHIBITION — Oct. 25-Nov. 15: "T.P. Flanagan."

ITALY

BOLOGNA, Galleria d'Arte Moderna (tel. 50.28.59).
EXHIBITION — To Nov. 30: "Luigi Bertelli."
Teatro delle Celebrazioni (tel. 22.29.99).

NETHERLANDS

AMSTERDAM, Concertgebouw (tel. 71.83.45).
CONCERTS — Concertgebouw Orchestra — Oct. 26 and 27: Bernard Haitink conductor, Faye Robinson soprano (Britten).
Oct. 30 and 31: Vladimir Ashkenazy conductor (Debussy, Prokofiev).
Oct. 28: Schöenberg Quartet (Berg, Webern).
RECEIPTS — Oct. 27: Jean Philippe Collard piano (Debussy, Ravel).
Oct. 29: Joseph Swensen viola, Lily Funahashi piano (Beethoven, Brahms).

MONACO

MONTE-CARLO, Galerie d'Art Moderne Le Point (tel. 50.68.17).
EXHIBITION — To Oct. 19: "20th Century Artists," Balhaus, Magritte, Picasso.
Centre de Congrès de Monte-Carlo (tel. 50.93.00).
CONCERT — Oct. 27: Monte-Carlo Philharmonic Orchestra, Sergiu Celibidache conductor, Igor Ostrikov violin (Beethoven, Rachmaninov).

SCOTLAND

EDINBURGH, National Museum of Antiquities of Scotland (tel. 527.35.50).
EXHIBITION — To Nov. 3: "1st An Come Home: Treasures of Primo Charles Edward Stuart."
GLASGOW, Theatre Royal (tel. 331.12.34).
OPERA — Oct. 26: "Oberon" (vor Weber).

SPAIN

BARCELONA, Festival (tel. 317.99.28).
CONCERTS — Oct. 28: Barcelona Contemporary Instrumental Group (Gerg, Sardá).
Oct. 30: Czechoslovakian Philharmonic Orchestra, Jiri Belohlav conductor, Ivan Klavinsky piano (Chopin, Dvorak).
Oct. 31: Czechoslovakian Philharmonic Orchestra, Václav Neumann conductor (Dvorak, Janacek).
MADRID, Museo Español de Arte Contemporáneo (tel. 449.71.50).
EXHIBITION — Through October: "Joan Miró."
Museo del Prado (tel. 468.09.50).
EXHIBITION — Through October: "The Queen of Holland." "XVII Century Paintings from Naples."

UNITED STATES

WASHINGTON D.C., National Portrait Gallery (tel. 357.27.00).
EXHIBITIONS — To Feb. 8: "Women on Time."
To April 13: "Private Lives of Public Figures: The Nineteenth Century Family Print."

DOONESBURY

SAL, THE CHURCH ISN'T CLAIM TO BE A PERFECT INSTITUTION.

GOOD THING, MAN.

HISTORY IS ONE LONG HORROR SHOW OF WARS, PERSECUTION, AND HUMAN SUFFERING INFLICTED BY THOSE ACTING IN THE NAME OF GOD.

WHICH IS EVIDENCE OF THE FALLIBILITY OF MAN, NOT GOD.

YEAH, WELL, ONE OF THEM SURE HAS BEEN STINKING UP THE WORLD WHO CARES WHICH ONE?

SAL, THE LORD WORKS IN.

UH-HUH, HAVE HIM GET IN TOUCH WHEN HE'S READY TO PARTY.

FOR FUN AND PROFIT

Methods of Categorizing The Independent Traveler

by Roger Collis

KNOW YOURSELF is the lapidary advice on the temple of Apollo at Delphi. In present day travel terms, this means deciding whether you are an adventurer, an elitist, a gray panther or a business extender. Depending on where you go and what you want to do, you may also play the role of aspiring explorer, seasoned traveler or maybe even survey tourist. The common denominator is that you are at bottom an independent traveler with contemporary values.

If you recognize yourself, here's good news. In the future, you're likely to have more discriminate appeals for your travel dollar and find more opportunities for a magical mystery tour of the Europe you always knew was there, but were never quite able to discover.

These somewhat delphic definitions are part of a consciousness-raising program among U.S. travelers to Europe and the travel trade on both sides of the Atlantic. The idea is to identify opportunities for affluent, independent travelers to enjoy a different kind of European vacation — away from the logjam of city centers in the peak season (June-September) to more unspoiled destinations in the shoulder seasons, such as the English Cotswolds in May and Provence in the fall, when the natives are likely to be less fractions and provide better service.

The program emanates from a research study carried out last April by Dunham & Marcus, a New York consulting firm, on behalf of American Express. This concluded that while growing numbers of Americans are looking for new, more contemporary values of "fun and relaxation, self-indulgence, health and discovery," Europe is still communicating the more traditional benefits of "history, old buildings and monuments, education and conducted sightseeing."

According to Christopher Rodriguez, London-based American Express division vice-president for Europe, Middle East and Africa, there are five main categories of "independent" travelers who share "contemporary" values:

- **Special-interest travelers** — people who go only on tours linked to a particular interest, such as food and wine, Renaissance paintings or archaeology.
- **Adventurers** — the young (25-35) up-and-coming, who backpacked at college, love traveling, look for immersion in new cultures, "who might say, Nepal is getting too touristy these days." Their gold standard is almost to get lost in a country, "to be at the edge of being out of control." In business terms, these would be fast-track executives earning \$35,000 and more.
- **Elitists** — older and more affluent, who travel throughout the year to the less traditional tourist centers. They enjoy the good life of the big cities, stay in the top business hotels, "but will seek out the truly splendid place at the weekend, of the Relais-Chateau type." They may have children out of the home and so be free to bring their spouses.
- **Gray Panthers** — the affluent retired. They have the time, money and inclination to take long vacations. Seasoned travelers who "like to combine old world elegance with contemporary flair."
- **Business Extenders** — frequent business travelers who like to extend their trip by adding on a few days vacation. Typically, they are 40 plus, self-employed or corporate executives earning over \$50,000, or they come to Europe four or five times a year and take off the middle weekend of a 10-day trip for unstructured forays to indulge hobbies and interests. They have "a strong success ethic; they believe that to work hard and to play hard is an integral part of their business travel experience." Their attitude is that Europe is a great place to do business because

Of adventurers, extenders and gray panthers

the first time and may find that a guided bus tour is the best way to cover an unfamiliar place in a short period. The trick is to know which hat you're wearing and explain that to the travel agent."

American Express provides some useful help along the way with its "Independent Traveler's Guide to Europe." This features five city guides for London, Stockholm, Munich, Paris and Rome and provides ample scope for role playing. There is plenty of advice on hotels, shopping and recreation along with a smorgasbord of ideas for short breaks in the provinces. For example, in France, there are some good itineraries for Alsace, Brittany and Provence; in West Germany, to Regensburg and the Berchtesgaden and Oberallgäu mountains.

Rodriguez gives two examples of how business extenders have used the guide. A business executive visiting a manufacturer in Munich found he had a free weekend, so he rented a car, chose a hotel and drove up to the Oberallgäu in the Bavarian highlands. A woman executive who runs a research company in New York wanted to do her own thing in London. The hotel where she was staying suggested taking a driver for a day. "This is not what the independent traveler wants to do, they like to be in control of their own destiny," Rodriguez says. "So she ended up taking British Rail from Paddington, found a hotel in the Cotswolds and had lunch in the village of Broadway."

Rodriguez admits that for the business extender, "the travel trade hasn't quite caught up with you yet. You may have to do a fair amount of legwork on your own." One suggestion, if you like a certain style of hotel, is to ask the concierge whether there are similar hotels in other destinations. The same applies to restaurants. Many establishments unite in affinity groups. For example, there is a West of England Country House and Hotel Association. Then there's the Chateau-Accueil group of French country hotels. Another is the Romantic group in Germany and Switzerland, all hotels personally run by the owner. Many can rental firms offer packages where you can zoom off in a Porsche 911 for a weekend.

The only problem seems to be that if American Express gives all the good ideas away to its cardholders, where is the scope for the true business extender, who is by definition the quintessential independent traveler?

Cajun, Creole and Cooking Tradition

by Mark J. Kurlansky

NEW IBERIA, Louisiana — Southern Louisiana is different from the rest of the United States. In fact, it is different from the rest of Louisiana. Time is measured differently. When they speak of "the war," it is as likely to mean the American Civil War as World War II.

This is the Old South, with moss swaying like chiffon from its branches. The ambitious New South has passed this corner by. People here seem content to attract more tourists than industrialists and show off the traditions they long enjoyed.

One of these traditions, the cuisine, has become the hottest thing among modern American food phenomena. It may be a fact in New York, Washington and San Francisco, but here it is a deeply rooted way of life. It is the one part of the United States where cooks do not have a compulsion to connect.

Change comes through evolution and not by whim. Old techniques and recipes are revered in Louisiana, where cooks still stir in homes and restaurants eight-hour preparations based on French techniques that few French chefs care to remember. There are three separate cuisines — northern Cajun, southern Cajun and Creole. While the three are increasingly merging in restaurants, locals say they remain distinct in homes.

The Cajuns were French settlers in Nova Scotia who fled Canada in the 18th century after Wolfe defeated Montcalm. They took with them a coastal people's love of seafood and a rich gastronomic tradition derived from some of the most celebrated regions of France.

Those who settled to the south, by the bayous, rivers, marshes and salt water channels, replaced lobster and other Canadian catch with crayfish, crabs, and oysters, which are put in meticulously seasoned stews called étouffées, rice dishes and soups.

A type of channel bass known here as redfish has become in demand in fish stores all over America because of the popularity of blackened redfish — fillets in hot peppers and herbs quickly blackened in butter on a white-hot cast iron pan.

Another local inland saltwater fish listed on Louisiana menus as speckled trout or just trout, resembles the well known freshwater fish, but with a wider grain to its delicate white meat. Alex Patout, owner-chef of a restaurant here in the quiet town of New Iberia, bakes it wrapped in bacon. This dish, typical of a new generation of Cajun cooks, is a light blend not only of two contrasting ingredients, but one from each Cajun region.

The northern Cajuns did not have the seafood of the Cajuns 10 miles to the south and continued a cuisine based on the

French pork charcuterie tradition of smoked hams, hog's head, boudin (blood sausage) and a smoked chitterling (pig intestine) sausage called andouille, cousin to the French sausage of the same name.

With little communication, Cajun food varied to be so localized in this remote, swampy country that food varied not only from north to south, but every mile.

Because of its reliance on very fresh products from the immediate vicinity, Cajun cooking can only be commercialized by restaurants at considerable cost. Patout has five farmers under contract to his restaurant.

"The biggest problem," said the 32-year-old Patout, who started his restaurant with his sister Gigi in 1979, "is to compete against the cooking people are doing in their homes."

The locals are regular restaurant-goers but tough critics. Patout, who is acquiring a national reputation, admits, "If I do well, it will not be from local support. It will be from outsiders."

CREOLE is the grand cuisine of New Orleans. It is cooking for restaurants of old-fashioned elegance, lighter and finer than Cajun but with many of the same ingredients. It was developed by black cooks who did their own variations on French, Spanish, English — whichever flag was flying in New Orleans at the moment.

Both Creole and Cajun have become incredible hodgepodes of culture that linguists and food historians may never sort out. The word for jambalaya, a northern Cajun, spicy, tomato-rice dish with cured and fresh meats, comes from *jambon à la ya*, from the French for ham and an African term for rice.

Green onions are called shallots and a soup based on the French term court-bouillon is called kabbilan.

A squishy vegetable called vegetable pear in English, although rarely called anything by English-speaking people, is here called mirrion, which used to be a cream-filled pastry in France. The vegetable is hollowed and stuffed with a spicy mixture and baked.

Like the chili pepper, the vegetable pear probably came from Mexico, where it is a common Indian product called chiyote. Chili peppers were introduced from the Mexican Caribbean state of Tabasco, where they have been a basic ingredient since Mayan times. The five locally grown species are blended into most Louisiana dishes. Chilis are also aged like bourbon for five years in white oak barrels at Avery Island and sold around the world as Tabasco sauce.

The vegetable okra thickens soups and sauces here as does a powder called filé, made from herbs and sassafras. But the base of all cooking is an old French technique — the roux. A roux is made by cooking flour with fat. Some roux takes four hours of cooking, then is blended with a stock that is cooked longer. Then it is cooked some more.

Not only is such a process costly to the modern restaurant, but Louisiana chefs have to address the fact that heavy cuisine has fallen from favor. Most French chefs have opted for lighter and quicker approaches.

Some Louisiana restaurants are not about to change for trendy visitors. Antoine's, in its crystal 19th-century elegance, is such a New Orleans institution. It has been owned by the same family since 1840 and its fifth-generation proprietor, Bernard R. Guste says, "If you are going to make something good down here, it always begins with a stock and then a roux."

Not that they do not invent a new dish every decade or so. In 1889, lacking escargots for a last-minute banquet, chef Jules Alcatoire devised a peppery green herb sauce and put it over slightly heated oysters. Arbitrarily naming it after the period's most famous millionaire, it became celebrated as oysters Rockefeller, and although imitated around the world, Antoine's will not reveal its recipe.

Other restaurants change faster than Antoine's, which in spite of its fame says that 70 percent of its clients are local. The best known Cajun in America is Paul Prudhomme who looks for ways to shorten cooking, which in part accounts for the tremendous success of his cookbook. He also slips in outside elements from the South, Mexico and other places.

His New Orleans restaurant, K-Paul's Louisiana Kitchen, packs customers into a grubby formica-top diner-type setting for plates that start at \$20. Prudhomme has become an American star.

Patout wants to take on his old friend and is coming out with his own cookbook this spring. But many other regional chefs are creating. Mr. B's, a popular New Orleans bistro, serves small morsels of most redfish fried in a spicy breading and served with a lightly mustard mayonnaise.

But some things never change. Like the coffee that is cut with chicory, an old habit of the French from hard times that was adopted in Louisiana during the Civil War when coffee was hard to get. It makes terrible coffee. Why do they still do it, Patout and several other restaurateurs were asked? "It's a tradition," they all answered.

Mark J. Kurlansky is a journalist based in Miami.

Doctorow

Continued from page 11

actual Doctorows, including my late father, lived on Eastburn Avenue." His voice has taken on a mild edge. "These are all true. But the book is an invention. It's the illusion of a memoir."

As Doctorow speaks, it seems that what he's doing in the novel is still becoming clear to him. Only now is he realizing what his intentions have been all along, and he's sizing up his achievement against them as they come into focus. The sections of family commentary, for example, are written as if they have been elicited by questions and spoken aloud, and they stand as a kind of transcribed oral history in contrast to Edgar's crafted one. "I like the idea of composing oral history," Doctorow says. "Writing the way people speak. Behind it is the larger idea of trying to break down the wall between the real and the written."

"The presumption of writing," he says, "is that you can speak for other people, that you can live lives through your work that you have not lived, and that you can do that adequately and justly. Writing is an exploration. You start from nothing and learn as you go. If you do it right, you're coming up out of yourself in a way that's not entirely governable by your intellect. That's why the most important lesson I've learned is that planning to write is not writing. Outlining a book is not writing. Researching is not writing. Talking to people about what you're doing, none of that is writing. Writing is writing."

Bruce Weber writes frequently on literary subjects. This was excerpted from an article in *The New York Times Magazine*.

Raul Ruiz's Labyrinth

Continued from page 11



Melvil Poupaud and Jean-Pierre Léaud in "Treasure Island."

one's native land rather than accentuating memory, he says.

"You become obsessed with small details in your new place — where to eat, how to find a flat. It can become almost a sort of obsession in that you think you are different, a special breed devoid of responsibility. It can lead to a kind of megalomania."

Ruiz's skill is officially recognized in France to the point where he was recently appointed co-director of a government-run Maison de la Culture in Le Havre. He intends to work there mostly on video, but will undoubtedly find time to make his own films just as he did a few months ago when he was at the Maison de la Culture at Grenoble.

"It was fantastic, they had all the equipment there, all one could need. I only had to bring in the actors." He made three films during his short stay there — a rock film, a sci-fi, and his "Richard III" with Le Hardy end.

Color-Coding the Travel Guides

by Peter Lewis

NEW YORK — The 1986 editions of many popular guidebooks are beginning to appear in bookstores. The first to arrive each year are updated versions of the familiar meat-and-potatoes directories — the *For*, the *Frommers*, the *Let's Go's* — that steer first-time visitors along well-beaten paths. Later, as the holiday season approaches, come the coffee-table books that stir memories or dreams of distant countries through lavish use of photography and lush color reproduction. These expensive books are hardly meant to be tucked inside a suitcase and contain little if any day-to-day travel tips.

In recent years a new class of paperback travel guide has emerged. It combines the best of the practical directories with the superior artwork of the hardcover coffee-table books at an affordable price.

An outstanding example of this new generation of guidebooks is the *Access* series, published by AccessPress Ltd., a small company that recently moved its headquarters to New York from Los Angeles.

The creative force behind the *Access* series is Richard Saul Wurman, an architect, graphic designer and cartographer who is co-owner of AccessPress Ltd. with Frank Stanton, former president of the CBS.

While most guidebooks are divided into such categories as hotels, restaurants and museums, the *Access* guides view the city as a fabric, indivisible. "When you are somewhere in a city," Wurman says, "you want to know what's around you. When I'm in a museum, I want to know what's nearby, where I can eat, where I can find an interesting shop."

A page chosen at random from the Tokyo *Access* guide, for example, presents both practical information and cultural observations about a tiny area of the Ginza. The items flow smoothly from one to the next, as one would walk the streets of the area: first, how to get to what the author considers the best private art museum in Japan (the Bagatelle); then, a rush-hour glimpse of the waves of commuters in silent procession on the Tokyo Station nearby (with a note that the bus to Disneyland is at the Yaesu exit). Next, upstairs, is the Daimaru department store, "the ideal store for those things you forgot to pack for the trip," and a

suggestion that the store's "fifth-floor putting green is a good place to kill time while waiting for a train (no charge)." Another short walk leads to the Library of Tourism and Culture and then to the Fukuoka Mutual Finance Bank where one can see "a door based on a design by Marcel Duchamp." A sobering aside: "According to popular belief that Tokyo's earthquakes run on a 69-year cycle, the next massive tremor is due to occur in 1991." (This cycle formula failed to predict the earthquake of Oct. 4, 1985.)

Each brief item is color coded for quick identification. Gardens and parks are described in green type. Items on museums, theaters and architecture are printed in blue; restaurants and nightlife in pink; shops in red; hotels and narrative items in black.

The books, which are about the same size as the popular Michelin green guides, are illustrated with clear, crisp and colorful drawings and maps, often from architects' renderings, frequently using aerial perspectives that give a fresh view of familiar areas.

The *Access* guides cost \$9.95 to \$11.95. Existing titles include Los Angeles, San Francisco, New York City, Washington, New Orleans, Las Vegas, Hawaii and Tokyo. Guides to London, Paris and Rome and the Museum of Modern Art in New York are planned for 1986.

Because of the unusual structure of the *Access* books, in which landmarks are described side by side with often short-lived restaurants and boutiques, the books must be revised frequently to keep pace with city changes. Each volume is revised every 12 to 18 months, Wurman says. Twenty-four pages of new listings are added to each revision. The volumes are completely rewritten for every other new edition, he says. The Los Angeles guide is in its third edition and several others, including the New York City guide, are now in second editions.

HIGH-QUALITY color photography and printing are the hallmarks of another series, the *Insight Guides*, produced by the German-born designer and photographer Hans Hofer and printed in Singapore. The artwork alone makes these paperback books well worth the \$15.95 price, but readers also get a fact-laden guide that incorporates thoughtful passages on the area's history and culture along with the usual guidebook information about hotels,

restaurants and landmarks. However, a traveler unfamiliar with the area described might do well to pick up one of the totally practical guides as a supplement.

The heavy paper used for their superb color reproduction makes the *Insight Guides* quite hefty. While some of these books certainly could be taken on a trip, their value is chiefly as reference works to be read and enjoyed before and after one's travels.

The series, begun in the 1970s, now comprises 23 titles, with 18 new titles set for release in the next year. The most recent books, *Indonesia*, *Australia* and *Northern and Southern California*, will be followed in the coming months by *India*, *New York State*, *Puerto Rico*, *Britain*, *the Rockies*, *Kenya* and *Israel*, among others.

The first *Insight Guide* described Bali, and the South Pacific remains a particular strength of the series. It is hard to imagine a better guide than the *Insight Indonesia* book for such relatively out-of-the-way places as Sri Lanka, Java and Burma.

The practical travel advice contained in the *Insight Guides* is revised yearly. Both the *Access* and *Insight* guides may be ordered by mail from their U.S. distributor, Simon & Schuster, 1230 Avenue of the Americas, New York, N.Y. 10020.

ANOTHER paperback series that has gained acclaim in the last year for superior color illustrations is the *Dumont Guides*, published by Stewart, Tabori & Chang of New York and printed in Spain. Five *Dumont* titles are now in the stores, Paris and the Ile de France, the Loire Valley, the French Riviera, Ireland and the most recent, on the Greek islands.

The *Dumont Guides* segregate their color photographs in clusters of glossy pages that, divided sections of text. The narrative, in the form of an anthology of articles concentrating on the region's history, art and architecture, lacks the fluid, breezy style of the *Access* and *Insight* guides and is intended for the most experienced travelers. A spartan section at the rear is devoted to practical travel considerations, hardly adequate for newcomers seeking advice on such basics as lodging or dining.

The *Dumont Guides* cost \$12.95 to \$14.95 and are available by mail from the publisher at 740 Broadway, New York, N.Y. 10003.

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"When a man is tired of London he is tired of life; for there is in London all that life can afford." Dr. Samuel Johnson, 20th September, 1777

The London Property Boom is going with a Bang

The City revolution that is attracting the world

EVERYONE - except the experts - is saying it can't last. Yet the rise in prime London residential property prices has continued upwards for three years and touched a swingeing 35 percent in 1984/85.

And there are signs that the trend is going on apace this autumn, according to Savills and the metropolis's other glossy estate agents including Sturgis, Hampton & Sons, J. Trevor & Sons, Chestertons, Beauchamp Estates and Chesterfield & Co. My forecast is that the rate might grow steeper.

One major reason is Big Bang, the City epithet for the revolution that from next year opens the Stock Exchange virtually to all comers. The world's financial institutions are flooding in for a share of the action, and their affluent executives need suitable accommodation both to rent and to buy.

In anticipation of Big Bang, established foreign banks in the Square Mile are racing to expand their activities while new ones are setting up shop. Indeed, the Square Mile itself is bursting at the seams and becoming rectangular as it stretches into Docklands in response to the distorting pressure. Resident bankers and their families need homes too.

At the same time, the banks' commercial customers - the multinationals and conglomerates - are following the financial services and establishing their headquarters and their senior staff's homes here in London, the natural English-speaking base for North Americans aiming to penetrate the polyglot Common Market. Many of them seek flats in which to accommodate and entertain clients and customers.

But business is not the only lure. The sheikhs and Middle East businessmen flood in to avail themselves of Harley

Street's renowned medical services, and they like their own residential base while undergoing treatment.

The elitist standards of our independent schools - the Eton factor - also attracts an international following. So do our ancient universities, the Oxbridge magnet.

At the same time, the social calendar embracing the Derby, Wimbledon, Henley and Ascot enjoys global status and the *beau monde* follows it throughout the Season. Hotels of appropriate standard, in what is now among the leading tourist centres of the world, cannot cope with demand, or they charge excessive rates, thus putting increased pressure on the short-lease property market.

The UK's political stability around a universally admired Royal Family encourages investment by the affluent

Hong Kong, Latin America, Malaysia... and they understandably like to have a pad where their money is. The gnomes of Zurich and Brussels and Strasbourg are here, too.

And for all these categories, there is the magical quality of London life, its great art collections, opera house, theatres, symphony orchestras, its culture - both classical and pop - its nightlife and its pace-setting fashion industry, plus the vibrant, creative atmosphere engendered by the whole mix. No wonder the tax exiles are returning and, mixing with the dozens of new millionaires created by the Unquoted Securities Market, are competing to establish luxurious homes.

That is why the million-pound barrier has long been penetrated in the prime central locations of Mayfair, Belgrave, Knightsbridge, Chelsea, Kensington, the North West golden enclaves of St John's Wood, Regents Park and Hampstead.

David Thorley, of Chestertons, recalls the first million-plus flat sold by his company's Mayfair office in 1981. The sale was for £1.13 million for which an Australian businessman bought a 6-bed-roomed penthouse with a 60-ft terrace overlooking Green Park. Chestertons now value the flat at £2 million.

Owen Inskip, of Chesterfields, who have recently sold



67 Eaton Place, London SW1, a classic Belgrave terrace. Chestertons, Aylesford & De Groot Collis.

a magnificent five-bedroomed house with swimming pool in the middle of Chelsea for more than the asking price of £1.5 million, reckons there are probably between 30 and 40 properties currently on the market in Central London with price tags starting at £1 million, "and any serious purchaser on the topmost end must be prepared to pay in excess of this figure," he says.

What do you get at this level? Richard Crosthwaite, of Knight Frank and Rutley, reckons on a five-bedroomed, five-bathroom house or flat in top condition in a prime area with a long lease (say, 60-plus years), or freehold.

In Knightsbridge, Mayfair and Belgrave, the cost could work out at up to £400 a sq. ft; in St John's Wood, perhaps half that rate. Nevertheless, the seven-figure price tag covers only a small proportion of the market and should buy an array of luxurious features such as a swimming pool, a jacuzzi, lifts, or a glittering interior design like a Dynasty set. The property itself? Well, a penthouse in Mayfair is equivalent to a handsome townhouse in Chelsea, a Nash terrace in Regents Park, or a substantial detached house with garage and garden in Hampstead or St John's Wood.

Bewick's, Le Suquet, La Poissonnerie, Ma Cuisine and Beccofines. Price: £148,000.

John D. Woods' portfolio features two good examples of that unique London phenomenon, the mews. Originally coach houses and stables, these low-rise dwellings in secluded backwaters are the height of fashion. Now that the horses have bolted, one at Devonshire Place Mews, close to Regents Park, offers four bedrooms, a roof terrace with studio and garage at £267,000; another in a village-like location in Cadogan Lane, bordering Belgrave and Knightsbridge, offers compact two-bedroom accommodation at £230,000. With this latter, you also enjoy access to private gardens and tennis courts.

Hampton & Sons also have a mews cottage, a bijou home in Eaton Mews North, Belgrave, at £310,000 for two beds and two baths, one en suite. The same agents also offer two character properties in Knightsbridge. One in Trevor Square, jointly offered with W.A. Ellis. This is a Regency house recently remodelled to offer spacious three-bedroomed comfort and a pretty paved garden, at £475,000. Another in Sterling Street, is also a period property with four bedrooms, conservatory and garden with easy access to Hyde Park and the famous shopping facilities of the area. Price £435,000.

On the Hyde Park Estate, J. Trevor & Sons have sole agency for four luxury apartments carved from an elegant period property in Hyde Park Square. It has been totally refurbished to provide the finest contemporary living. Features include terraces, balconies and a courtyard garden with 97-year leases at prices ranging from £205,000 for a two-bedder up to £485,000 for a three-bed, three-bath penthouse. J. Trevor & Sons

Because there's virtually no new building land available, except that created by demolition of old property or liberated from some Government or local authority cache, most prime London property for sale is presented as a refurbishment. A good example is 15 Chapel Street, just off Belgrave Square, where Chesterfield & Co. and Savills jointly offer a 6-bedroomed house with a magnificent 42-foot drawing-room and separate staff flat at £650,000 for the 56-year lease.

For the bachelor, Chesterfield & Co. offer an ideal pied à terre for the bon vivant; it's a two-bedder on two floors with roof terrace at Draycott Avenue situated above a betting shop, next to a pub and within 100 yards of many of London's most famous restaurants, including Waltons,

also offer a new development of four luxury houses off Queens Gate, Kensington. In mews style, each provides four-bedroomed accommodation at from £395,000 to £445,000.

Another new development, Whitlington, in Highgate, North London, boasts six family homes offering from four to six bedrooms, spacious reception rooms, double garages and workshop/studios in a rustic setting adjacent to the green acres of Kenwood. Prices: £335,000-£475,000 freehold, and you can pick up the beautifully furnished showhouse for £395,000 from Anscombe & Ringland.

The same agents handle the spectacular Firecrest, just off Hampstead Heath, which has been acclaimed as a masterpiece of landscaping and innovative Italianate architecture. This four-acre development will eventually comprise two-level blocks of luxury flats and 18 detached family houses ranging from £300,000 to £1.4 million. Two of the properties feature swimming pool/sauna complexes.

No 67 Eaton Place is a classic example of an early 19th century Belgrave house, built by Thomas Cubitt. Lavishly restored, the property includes specially made carpets and curtains and original 18th century chandeliers while the magnificent 43 ft drawing-

room - ideal for entertaining - boasts a pair of exquisite Louis XVI marble-carved fireplaces. With a master suite and five further bedrooms and bathrooms, the 5,500 sq ft house is priced by joint agents Chestertons, Aylesford and De Groot Collis at £2.25 million.

Chestertons exclusively offer arguably the most splendid penthouse in London; the 16-17th floors of the Water Gardens, near Marble Arch. This five-bedder apartment features a spaceship-like reception room and two west-facing terraces overlooking a spectacular London panorama. Price: £1.5 million.

In the historic heart of Westminster, Sturgis is offering a gracious Queen Anne residence within two minutes' walk of the Houses of Parliament and the Abbey. In Lord North Street, where your neighbours are more likely than not to be Tory MPs, this four-bedroomed property with library, wine cellar and patio garden is a good buy at £300,000.

Set back from the road, an impeccable modernised strucco-fronted period house at Thurloe Street, South Kensington, is offered by Cluttons at £445,000 including something rare in this part of London - a well-stocked 45 ft garden.

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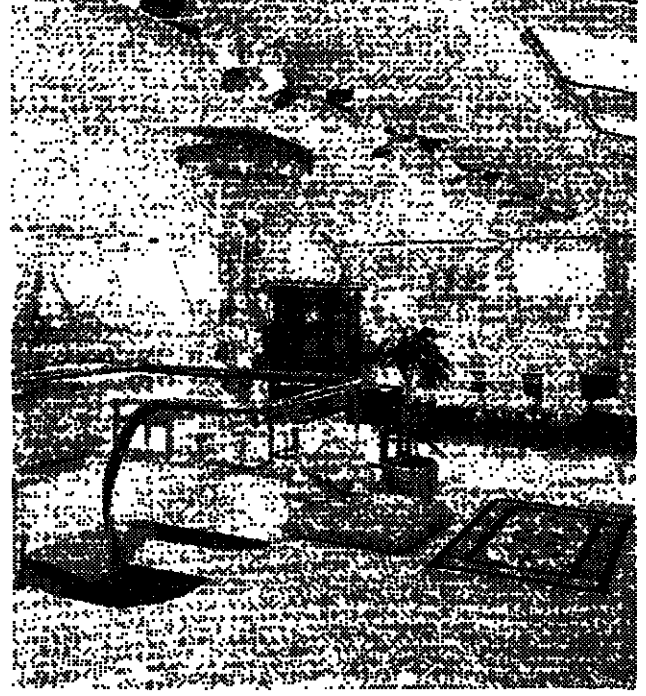
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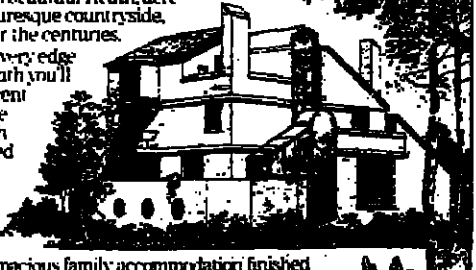
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NYSE Most Actives				
Vol.	High	Low	Last	Chg.
IBM	127.25	127.00	127.25	+0.25
General Motors	55.25	55.00	55.25	+0.25
AT&T	41.25	41.00	41.25	+0.25
Westinghouse	41.25	41.00	41.25	+0.25
Union Carbide	41.25	41.00	41.25	+0.25
Rockwell	41.25	41.00	41.25	+0.25
Boeing	41.25	41.00	41.25	+0.25
McDonald's	41.25	41.00	41.25	+0.25
Johnson & Johnson	41.25	41.00	41.25	+0.25
Merck	41.25	41.00	41.25	+0.25

Dow Jones Averages				
Open	High	Low	Last	Chg.
Index	1247.25	1245.00	1247.25	+2.75
Indust.	1247.25	1245.00	1247.25	+2.75
Transp.	1247.25	1245.00	1247.25	+2.75
Finance	1247.25	1245.00	1247.25	+2.75

NYSE Index				
Composite	High	Low	Close	Chg.
Index	1247.25	1245.00	1247.25	+2.75
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Finance	1247.25	1245.00	1247.25	+2.75

Thursday's
NYSE
Closing

Vol. of 4 P.M. 123,100,000
Prev. 4 P.M. Vol. 121,500,000
Prev. consolidated close 146,174,170

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.
Via The Associated Press

AMEX Diaries				
Class	Prev.	Chg.	Vol.	Chg.
Advanced	24	24	24	24
Declined	24	24	24	24
Unchanged	24	24	24	24
Total	77	77	77	77
New Issues	10	10	10	10
Volume down	2,127,930			

NASDAQ Index				
Composite	High	Low	Close	Chg.
Index	1247.25	1245.00	1247.25	+2.75
Indust.	1247.25	1245.00	1247.25	+2.75
Transp.	1247.25	1245.00	1247.25	+2.75
Finance	1247.25	1245.00	1247.25	+2.75

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McDonald's	41.25	41.00	41.25	+0.25
Johnson & Johnson	41.25	41.00	41.25	+0.25
Merck	41.25	41.00	41.25	+0.25

Stocks Decline in Late Selling

NEW YORK — The New York Stock Exchange closed lower in active trading Thursday after a mild mid-afternoon upsurge in the blue chips faltered and brought the broader market down with it.

The deteriorating performance of two bellwether issues, IBM and General Motors, helped drag the market lower, analysts said. The paths of the two blue chips diverged Wednesday when IBM climbed and General Motors weakened.

In late trading Thursday, IBM joined General Motors on its downward path, dropping 1 1/2 to 128 1/2. General Motors fell 1/4 to 55 1/4, matching its 52-week low set Aug. 15.

The Dow Jones industrial average lost 4.82 to 1,367.34.

Broader market indicators also gave up ground. The NYSE index fell 0.29 to 108.58, while Standard & Poor's 500 stock index decreased 0.59 to 188.50. The price of an average share lost nine cents.

Among the 2,008 issues traded, declines outpaced advances 805 to 726. Big Board volume totaled 123.1 million shares, compared with 121.7 million Wednesday.

"The market is on a treadmill," said Hugh Johnson, head of the investment policy committee at First Albany. "Investors are waiting to get a much clearer view on what the economy will be like in the fourth quarter."

Mr. Johnson said the market is concerned that the Federal Reserve is trying to slow the growth of money and might overdo the restraints.

Some investors worry that a weaker economic performance in October combined with slower money growth could curb the economy's growth through the first quarter of 1986, analysts said.

M-1 Drops \$6.8 Billion

NEW YORK — The broadest measure of the U.S. money supply, M-1, fell \$6.8 billion, to \$605.1 billion in the week ended Oct. 14, the Federal Reserve Board reported Thursday. Most analysts had expected a decline of about \$3.5 billion.

Economists said the latest drop puts M-1 very close to the Fed's target growth range, easing pressure on the central bank to tighten policy.

M-1 comprises money available for immediate spending, including cash, checking accounts and nonbank traveler's checks.

But Mr. Johnson's view is that October's weakness will prove temporary. He said reaccelerated money growth will accommodate a strong Christmas season and that the economic picture will remain positive through the first half of the new year.

Texas Oil & Gas was the most active NYSE-listed issue, up 1/4 to 19 1/4 on a rumor that U.S. Steel might buy it. U.S. Steel dropped 1/4 to 29.

Northern Indiana Public Service followed, easing 1/4 to 10 1/4. Rockefeller Center Properties was third, edging up 1/4 to 18 1/4.

Among actively traded blue chips, Westinghouse eased 1/4 to 41 1/4, AT&T was off 1/4 to 20 1/4, and Union Carbide jumped 1 1/2 to 60.

Technology issues, which gave the market a boost in the two prior sessions, declined. Digital Equipment eased 1/4 to 11 1/4, Burroughs dropped 1 to 55 1/4 and Cray Research fell 1 1/2 to 53 1/4. Some semiconductor issues firmed, however.

NYSE Most Actives				
Vol.	High	Low	Last	Chg.
IBM	127.25	127.00	127.25	+0.25
General Motors	55.25	55.00	55.25	+0.25
AT&T	41.25	41.00	41.25	+0.25
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Hitachi Ltd. Reports Dip in Profit for First Half

TOKYO — Hitachi Ltd. reported Thursday that parent company profit for the first six months of 1985-86 year slipped 0.9 percent from a year earlier, to 49.7 billion yen (\$231 million) from 50.1 billion yen.

Per-share earnings for the six months ended Sept. 30 were 17.73 yen, compared with 17.88 yen a year earlier. Sales for the period rose 3 percent, to 1,559 billion yen or 1,514 trillion.

Hitachi has revised downward its profit forecast for the year ending March 31, 1986, to 193 billion yen, from 265 billion yen. Yasuo Iwata, vice president, said at a news conference. Profit for the 1984-85 year amounted to 255.9 billion yen.

Estimated sales for 1985-86 were revised downward to 3 trillion yen from an earlier estimate of 3.18 trillion yen, compared with 3,036 billion a year earlier, he said.

The company will retain the 9-

yen dividend in 1985-86, he added.

A continuing recession in semiconductor, slow growth in videotape-recorder sales, declines in exports to China and the yen's appreciation against the dollar are expected to reduce profit and sales for the year, Mr. Miyachi said.

In the first six months, semiconductor sales fell 21 percent to 215 billion yen from a year earlier, bringing sales of information and communications systems and electronic devices to 552.1 billion yen, down 4 percent from a year earlier.

Foreign-exchange losses are expected to total about 3 billion to 4 billion yen in 1985-86, if the exchange rate against the dollar stands at an average of 210 to 215 yen, Mr. Miyachi said.

Sperry Corp. Posts 2d-Quarter Loss From Sale of Farm-Equipment Unit

NEW YORK — Sperry Corp. said Thursday that losses from operations of its New Holland farm-equipment business and from the unit's sale to Ford Motor Co. contributed to a loss of \$187.9 million in its second fiscal quarter.

But Sperry said its two remaining operations, commercial computers and defense and aerospace, posted a 23-percent revenue gain in the period.

Sperry, headquartered in New York, said its quarterly loss contrasted with net income of \$99.5 million, or \$1.80 per share, in the second quarter of 1984.

Sperry said it lost \$10.6 million after taxes on operations of New Holland in the second quarter and, as expected, took a \$220-million after-tax loss on the sale of New Holland to Ford. Ford paid \$330 million in cash for New Holland and agreed to assume \$110 million in liabilities. The sale agreement was signed Oct. 10, but the loss was recorded in Sperry's second quarter, which ended Sept. 30.

For its first half, Sperry said it had a loss of \$136.4 million compared with net income of \$119.6 million, or \$2.17 a share, in the first six months of 1984. Six-month revenues were \$2.54 billion, up 22 percent from \$2.08 billion in the 1984 period.

COMPANY NOTES

Beil Canada Enterprises Inc. will be listed in the foreign-stock section of the Tokyo Stock Exchange in mid-November with Nomura Securities Co. as listing agent. Beil does not plan to issue new shares for the Japanese market.

Cathay Pacific Airways has ordered a third Boeing 747-300, to be delivered in November 1986. Cathay Pacific, based in Hong Kong, received its first \$100-million 747-300 in June and is to receive its second in February.

Dome Petroleum Ltd. said it was willing to sell its 30.8 million shares in Dome Mines Ltd., Canada's largest gold producer, and probably its 1 million shares of Teacore Inc. as well. Under a refinancing agreement, the company is required to sell 10 million shares of Dome Mines by the end of 1986.

Fleet Aerospace Corp. has become part of an all-Canadian consortium examining the possible purchase of Canadian Ltd. from the government-controlled Canada Development Investment Corp. Fleet did not identify the other members but said they included private and institutional investors.

Gates Learner Corp. is considering consolidating its aircraft and aerospace manufacturing operations in either Wichita, Kansas, or Tucson, Arizona, as a cost-cutting move. The aircraft manufacturer employs 1,135 workers in Wichita and 815 in Tucson.

International Business Machines Corp. has cut purchase prices for some models of its 3380 direct-access storage devices and 3880 cache-storage controllers by an average of 10 percent.

MGM/UA Entertainment Co. common stock holders have until Nov. 1 to indicate their interest in holding United Artists stock after the acquisition of MGM/UA by Turner Broadcasting System Inc. The deadline was extended one week.

Pioneer Electronics Corp. of Japan will set up a car audio plant near Cincinnati, Ohio. The plant, with a capital investment of about \$10 million, will start production of stereo players for automobiles from July 1986 at a rate of 10,000 sets a month.

Reed International PLC has completed the sale of the British operations of Building Products Group for \$61 million (\$87 million) in cash to a newly formed company called Caradon Ltd.

Texton Inc. has ended efforts to sell its AVCO aerospace division. Texton said it had decided that the division's value, major contracts for wings for the B-1 and C-5 programs, could be realized most profitably by continuing to operate the division.

ICI Pretax Profit Fell 26% in 3d Quarter

LONDON — Imperial Chemical Industries PLC reported Thursday that third-quarter pretax profit fell 26 percent, largely because of unusually low demand for fertilizers in Britain and seasonal weakness in several businesses.

Profit for the period fell to £182 million (\$260 million) from £243 million a year earlier. The performance was at the lower end of market expectations and ICI's shares eased to 647 pence during trading Thursday on the London Stock Exchange before recovering to 652 pence, down 4 pence on Wednesday's close.

ICI, Britain's largest chemical company, also said that margins on commodity chemicals in Western Europe were squeezed in the quarter. It did not report sales for the period.

Pretax profit for the first nine months of the year fell 8 percent to £717 million from £780 million in the like 1984 period, the company said. Sales rose 11 percent to £8.12 billion from £7.27 billion.

The nine-month figures reflect an extraordinary charge of £26 million related to the restructuring of the colors and fine chemicals businesses, ICI said.

Third-quarter chemical sales rose to £2.35 billion from £2.26 billion in 1984, ICI said. Oil sales in the 1985 third-quarter fell to £185 million from £266 million.

ICI said that the normal summer slump in third-quarter chemical turnover reduced sales by five percent, while the strength of the British pound against the U.S. dollar reduced the overall sales value by seven percent.

Chemical sales in Britain during the nine-month period totaled £1.83 billion compared with £1.76 billion in the like period last year. Sales overseas edged up to £5.63 billion from £4.73 billion.

Oil sales in the first nine months were £253 million, down £131 million from the comparable period as a result of declining output from the North Sea Ninian field.

Coupled with increased oil exploration costs, this cut nine-month oil profits by £37 million, to £46 million, after provision for petroleum revenue tax of £116 million, down from £127 million in the first nine months of 1984.

Founder of Avis Bids for Return

NEW YORK — Warren Avis, founder of Avis Rent-a-Car, said Thursday he and a group of U.S. European and Middle Eastern investors are offering to buy Avis from Beatrice Cos. Inc.

Terms were not disclosed, but he noted that a \$400-million valuation has been quoted for the Avis unit by Wall Street analysts. He said he would seek to expand its operations in a variety of related financial fields.

Mr. Avis founded the car-rental company in 1946 and sold it eight years later for "several million dollars."

Knight-Ridder and Mills PLC To Form Joint Data Venture

MIAMI — Knight-Ridder Newspapers Inc. said Thursday at its business information subsidiary, Knight-Ridder Financial Information Group, had agreed to joint venture with Mills & Allen International PLC to provide market information through Knight-Ridder.

The agreement provides for Mills & Allen to provide live market prices on closed-circuit.

The first user of this feature will be Carbon Gilt, Mills & Allen's inter-dealer broker in the British government securities market.

The Moneycenter system employs an American Telephone & Telegraph Co. 6300 personal computer for use by subscribers and transmits information via satellite and leased lines.

Degeuss AG Shares Soar On Rumored AIDS Cure

FRANKFURT — Rumors that Degeuss AG had developed a medication to fight Acquired Immune Deficiency Syndrome drove up 51 Deutsche marks (\$19.30) Thursday, to 514 DM.

A company spokesman confirmed that Degeuss researchers had a substance that, after limited laboratory trials, appeared able to kill the AIDS virus.

Questions Raised on Rescue Of JMB by Bank of England

LONDON — The Bank of England has denied charges that some of its officials committed forgery as part of efforts to revive Johnson Matthey Bankers Ltd. (JMB), a gold dealer and bank, was acquired by the central bank from Johnson Matthey PLC a year ago in a rescue organized after the discovery of loan losses totaling more than £200 million (\$286 million).

The allegations of forgery by central bank officials were made Tuesday by Brian Sedgmore, a Labour Party member of Parliament, who has been a leading critic of the Bank of England's handling of the rescue. The opposition party has called for an independent inquiry into the JMB affair.

A spokesman for Britain's solicitor general confirmed Wednesday that the City of London police would investigate the new evidence provided by Mr. Sedgmore. The police last July were ordered to investigate whether JMB officials committed fraud before the Bank of England took it over in October 1984.

"What we are witnessing is the biggest financial scandal of the 20th century," said Mr. Sedgmore, a lawyer. "So far we have only seen the first worms crawl out of the can."

Mr. Sedgmore repeated a call he made last July for the resignation of Robin Leigh-Pemberton, governor of the Bank of England. "Although, and we must be thankful for small mercies, Robin Leigh-Pemberton is not himself a conspirator to crime, it will be impossible to restore confidence until he resigns," said Mr. Sedgmore.

The Bank of England's chief spokesman, Philip Warland, replied: "We do not believe there is the slightest truth in these allegations. They are, of course, serious allegations and as such they should be investigated. We have no fears about this, nothing to hide."

Mr. Sedgmore said that the Bank of England, after acquiring control of JMB, found \$28 million in accounts of companies controlled by Mahmud Sipra, a Pakistani-born businessman whose El Saed Group was involved in commodities, scrap iron, shipping and movie production and is one of JMB's biggest problem borrowers.

Mr. Sedgmore said that the

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By The Chase Manhattan Bank, N.A., London
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to Holders of
G.T.E. INTERNATIONAL INC
8 1/4% Guaranteed Bonds due 1986

NOTICE IS HEREBY GIVEN that pursuant to the terms and conditions of the above issue US\$867,000 (Nominal) and to be redeemed at par on 15th November 1985. The following bonds have been drawn for redemption in the presence of a notary public at a price equal to 100% of the principal face amount.

BONDS OF \$1,000 EACH									
91	1538	3967	7089	0837	10372	10666	10934	11493	12081
100	1551	4067	7089	0837	10372	10666	10934	11493	12081
101	1564	4167	7089	0837	10372	10666	10934	11493	12081
102	1577	4267	7089	0837	10372	10666	10934	11493	12081
103	1590	4367	7089	0837	10372	10666	10934	11493	12081
104	1603	4467	7089	0837	10372	10666	10934	11493	12081
105	1616	4567	7089	0837	10372	10666	10934	11493	12081
106	1629	4667	7089	0837	10372	10666	10934	11493	12081
107	1642	4767	7089	0837	10372	10666	10934	11493	12081
108	1655	4867	7089	0837	10372	10666	10934	11493	12081
109	1668	4967	7089	0837	10372	10666	10934	11493	12081
110	1681	5067	7089	0837	10372	10666	10934	11493	12081
111	1694	5167	7089	0837	10372	10666	10934	11493	12081
112	1707	5267	7089	0837	10372	10666	10934	11493	12081
113	1720	5367	7089	0837	10372	10666	10934	11493	12081
114	1733	5467	7089	0837	10372	10666	10934	11493	12081
115	1746	5567	7089	0837	10372	10666	10934	11493	12081
116	1759	5667	7089	0837	10372	10666	10934	11493	12081
117	1772	5767	7089	0837	10372	10666	10934	11493	12081
118	1785	5867	7089	0837	10372	10666	10934	11493	12081
119	1798	5967	7089	0837	10372	10666	10934	11493	12081
120	1811	6067	7089	0837	10372	10666	10934	11493	12081
121	1824	6167	7089	0837	10372	10666	10934	11493	12081
122	1837	6267	7089	0837	10372	10666	10934	11493	12081
123	1850	6367	7089	0837	10372	10666	10934	11493	12081
124	1863	6467	7089	0837	10372	10666	10934	11493	12081
125	1876	6567	7089	0837	10372	10666	10934	11493	12081
126	1889	6667	7089	0837	10372	10666	10934	11493	12081
127	1902	6767	7089	0837	10372	10666	10934	11493	12081
128	1915	6867	7089	0837	10372	10666	10934	11493	12081
129	1928	6967	7089	0837	10372	10666	10934	11493	12081
130	1941	7067	7089	0837	10372	10666	10934	11493	12081
131	1954	7167	7089	0837	10372	10666	10934	11493	12081
132	1967	7267	7089	0837	10372	10666	10934	11493	12081
133	1980	7367	7089	0837	10372	10666	10934	11493	12081
134	1993	7467	7089	0837	10372	10666	10934	11493	12081
135	2006	7567	7089	0837	10372	10666	10934	11493	12081
136	2019	7667	7089	0837	10372	10666	10934	11493	12081
137	2032	7767	7089	0837	10372	10666	10934	11493	12081
138	2045	7867	7089	0837	10372	10666	10934	11493	12081
139	2058	7967	7089	0837	10372	10666	10934	11493	12081
140	2071	8067	7089	0837	10372	10666	10934	11493	12081
141	2084	8167	7089	0837	10372	10666	10934	11493	12081
142	2097	8267	7089	0837	10372	10666	10934	11493	12081
143	2110	8367	7089	0837	10372	10666	10934	11493	12081
144	2123	8467	7089	0837	10372	10666	10934	11493	12081
145	2136	8567	7089	0837	10372	10666	10934	11493	12081
146	2149	8667	7089	0837	10372	10666	10934	11493	12081
147	2162	8767	7089	0837	10372	10666	10934	11493	12081
148	2175	8867	7089	0837	10372	10666	10934	11493	12081
149	2188	8967	7089	0837	10372	10666	10934	11493	12081
150	2201	9067	7089	0837	10372	10666	10934	11493	12081
151	2214	9167	7089	0837	10372	10666	10934	11493	12081
152	2227	9267	7089	0837	10372	10666	10934	11493	12081
153	2240	9367	7089	0837	10372	10666	10934	11493	12081
154	2253	9467	7089	0837	10372	10666	10934	11493	12081
155	2266	9567	7089	0837	10372	10666	10934	11493	12081
156	2279	9667	7089	0837	10372	10666	10934	11493	12081
157	2292	9767	7089	0837	10372	10666	10934	11493	12081
158	2305	9867	7089	0837	10372	10666	10934	11493	12081
159	2318	9967	7089	0837	10372	10666	10934	11493	12081
160	2331	0067	7089	0837	10372	10666	10934	11493	12081

Bonds not listed above are not affected by this redemption.

Bonds so designated for redemption will become due and payable on 15th November 1985 in the currency of the United States of America at the office of the principal Paying Agent, Manufacturers Hanover Trust Co., Corporate Trust Office, New York, or at the holder's option to the other Paying Agents named on the bonds.

Payment of the redemption price of the bonds called will be made upon presentation and surrender of such bonds with Coupons No. 13 and subsequent Coupons attached. Coupon No. 14 should be detached and encashed in the usual manner.

Interest on the bonds drawn will cease on and after 15th November 1985.

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Experts Are Divided Over Computer Software for Star Wars

(Continued from Page 15)

grammers from Data General and Bolt, Barank & Newman systems designers from Digital Equipment and International Business Machines Corp.

It also attracted academics from MIT, which ranks among the top five contractors on the Strategic Defense Initiative this year, with about \$59 million committed to research. In all, it is anticipated that about \$25 billion would be spent on Star Wars research in the first five years of the program.

Most of the MIT activity is centered at Lincoln Labs, the semi-autonomous laboratory near the Cambridge campus.

The programming tasks involved in designing a space-defense system would be enormous. Coordinating hundreds of sensors and anti-satellite weapons, the computer system must be capable of tracking about 30,000 warheads. It would have to allocate weapons to destroy them, while keeping track of which warheads were

stopped and which had slipped through.

Further complicating matters, the system must be trained to discriminate real warheads from 300,000 or more decoys. And it must be able to withstand attack, since the computers governing the system would likely become an enemy's first target.

Making the whole thing tick could require between 10-million and 100-million lines of computer code, with little tolerance for mistakes.

As the Internal Revenue Service learned when it installed a new computer system and as the National Aeronautics and Space Administration has learned with the space shuttle, large programs have bugs.

Computer experts disagree over whether the increase in the number of bugs is proportional to the growth in the size of the program. But they agree it poses a grave problem: In a survey of ordinary commercial software, American Telephone &

Telegraph Co. found an average of 300 errors in every 1,000 lines of program.

Mr. Parnas drew from a seemingly endless supply of humorous stories about computer mistakes as he argued that it would be virtually impossible to test Strategic Defense Initiative software exhaustively. "One never really knows when the last bug has been removed," he advised.

Arguments that redundant systems could be built — essentially computers that backstop other computers — left both Mr. Parnas and his debate partner, Joseph Weizenbaum, a computer-science professor at MIT, unimpressed.

Mr. Weizenbaum, however, noted that the number of computers that would be shut down several space-shuttle launches only seconds before liftoff.

"In a space-shuttle launch, the adversary is nature, the conditions are known in advance, and we still have failures," he noted. "In SDI

there is an adversary who is trying to blow up your whole system."

Arguing that such a system could work was Danny Cohen, a professor at the Information Sciences Institute at the University of Southern California, and Charles L. Seitz, a California Institute of Technology professor.

"There is no fundamental reason that it should be impossible to meet the computing requirements of SDI," said Mr. Cohen, chairman of the Pentagon's advisory committee on the battle-management system.

Like others, Mr. Cohen dismissed the contention that a single computer program would be required. He suggested that the answer lay in an old programming technique: writing in modules that would govern independent sensors, weapons and other hardware.

The advantage of such a technique is that errors are contained. Just as one part of a modular software can be replaced, one part of a modular program can be fixed or circumvented when a software error crops up.

Modular methods, Mr. Cohen noted, were used in programming Boeing 747s and the Apollo spacecraft. "All of them have bugs," he said. "Yet they are trustworthy. They work."

However, Mr. Cohen acknowledged that success depended on "an unconventional system architecture" — the term Strategic Defense Initiative officials use to describe the still-undecided design of the overall system — that would allow a programmer to use conventional software engineering techniques.

"There is no magic," he said. "Overreliance on radical software development approaches may not produce a reliable system."

Many in the audience maintained that Mr. Cohen and Mr. Seitz had failed to answer the key questions. Software modules, they noted, are only as reliable as the communications links that connect them.

The two scientists had said almost nothing about how the system could be tested, if at all.

Mr. Dertouzos warned that the computer industry confronts a "double ignorance" about the fate of giant projects in computer science.

"I hate to say it, but we are modern alchemists," he said, gesturing as if he were pouring one vial of chemicals into another. "If it works, we take notes. If it explodes, we take notes."

BUSINESS PEOPLE

Citroën Changes Management at 3 Units

By Brenda Erdmann
International Herald Tribune
LONDON — Citroën, the French car manufacturer owned by the private Peugeot group, has announced top-level management changes in its British, Austrian and Spanish units.

In Britain, Bernard Peloux was appointed managing director of Citroën Cars Ltd. He moves to Slough, near London, from Vienna, where he was managing director of Citroën Österreich. Mr. Peloux is succeeded as head of Citroën's operations in Austria by François Minin, who previously served as his deputy.

Mr. Peloux takes over responsibility for the British operations from François Guesde, who is being transferred to Madrid to take up a post created as part of a restructuring of management due to the expansion of the car maker's operations in Spain.

Claude Salmeron will become director-general of Citroën Hispania on the retirement at year-end of Jean-Pierre Plesano, and a new layer of management will be established. Serving under Mr. Salmeron will be Mr. Guesde and Luis Zapatero. Mr. Guesde will be responsible for the commercial activities of the operations in Spain, while Mr. Zapatero will head the production activities in Spain, which is Citroën's largest manufacturing base outside of France.

Valde Logic Systems Inc. has re-

organized its operations in Europe, grouping them into three geographical areas. The new Northern European region, which covers Britain, Ireland and Scandinavia, is headed by Ken Harris. Mr. Harris, based in Slough, previously was general manager for Britain. Gerd Schmitt, previously general manager for West Germany, was appointed general manager for the new Central European region. In this post he is responsible for Valde's operations in West Germany, Austria and Switzerland. He will continue to be based in Munich. The new Southern European region, which comprises France, Italy, Belgium, the Netherlands, Spain and Portugal, is headed by Jacques Rivez, who is based in Rungis, near Paris. Mr. Rivez's successor as finance manager for Europe has not been named. Valde, which is based in San Jose, California, develops and makes solutions for electrical computer-aided engineering and computer-aided design.

Bank of Ireland has appointed Gerry Ennis as head of its Frankfurt representative office. He succeeds Frank Hayes, who, as previously reported, has moved to Brussels to head the bank's representative office, scheduled to begin operations early next year. Previously, Mr. Ennis was in Bank of Ireland's international department in the Dublin head office.

Pharmacia, the Swedish pharmaceutical and biotechnology company, has appointed Magnus Möl-

teus as senior vice president and member of the group management executive committee. Mr. Mölteus continues as president of Pharmacia Inc., the company's U.S. arm. Pharmacia also named Hans Malmberg, head of corporate development, as a member and secretary of the group management executive committee. He was vice president of Pharmacia Health Care.

Deutsche Bank AG has appointed Barthold von Ribbentrop as head of securities sales and trading. Mr. von Ribbentrop will move to Frankfurt from his post as executive vice president of Deutsche Bank Capital Corp. in New York. He will succeed R.E. Breuer, who is to become a member of the board and general manager of Deutsche Bank.

Kassalis-Oakes-Pandolfi of Helsinki said it has set up a London-based international trade finance department. The new department will be headed by Hugh Vinter, who formerly was vice president, major assets group, with Security Pacific International Leasing (Europe) Inc. in London.

Maryland Bank International SA has appointed James T. Pierce and David Feld as executive director and associate director, respectively. Previously, Mr. Pierce was vice president and regional manager of Maryland National Bank in Baltimore and Mr. Feld was chief representative of the bank in London.

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(Continued From Back Page)

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CURRENCY MARKETS

Dollar Higher in U.S., European Trading

YORK — The dollar, edged by strong commercial demand for the second consecutive day, moved higher in New York Thursday despite central bank intervention, dealers said. The dollar was not sufficient to set the dollar from strengthening. The dollar struggled off selling the U.S. West German and Japanese central banks because many analysts believed the intervention was only modest, analysts said. Several dealers said they believed that the U.S. Federal Reserve sold a moderate amount of dollars when the dollar traded at its peak.

The British pound closed in New York at \$1.4220, down 1 cent from yesterday's close of \$1.4320. The late dollar rates in New York were: 2.6335 Deutsche marks, up from 2.6375; 8.090 Swiss francs, up from 8.039; 2.00 Italian lire, up from

1,780.50, and 216.55 Japanese yen, up from 215.80. The dollar slipped from highs at the close after a report of a \$6.8-billion drop in the basic U.S. money supply for the week ended Oct. 14, that was greater than had been expected.

The earlier central bank intervention failed to counter the dollar's rise for long because many participants saw no signs of further dollar sales during the afternoon session.

Earlier in the day, the Bundesbank confirmed that it had intervened in the open market shortly before it sold \$39.6 million at the Frankfurt exchange. Dealers said they believed that the West German central bank sold \$75 million in the open market, which was considered a small amount.

Before that, the Bank of Japan was believed to have intervened modestly in Tokyo foreign-exchange trading. Analysts emphasized that a limited intervention can work only for a limited

time and that Japan and West Germany would have to stimulate their economies for the recent intervention to have any long-lasting effect.

In earlier trading in Europe, currency dealers said corporations were buying dollars to settle accounts at the end of the month and investors were buying dollars to acquire U.S. securities.

The dollar closed in London at 2.6490 DM after having briefly gone above 2.6500 DM in the early afternoon. It had closed Wednesday at 2.6382 DM.

The pound ended at \$1.4215, more than one cent below its close of \$1.4335 Wednesday.

In other trading Thursday, the dollar was fixed at 2.6487 DM in Frankfurt, up from 2.6372 Wednesday; at 8.08 French francs in Paris, up from 8.0324, and at 1,787.80 lire in Milan, up from 1,778.80.

The dollar closed at 2.1698 Swiss francs in Zurich, up from 2.1663, and at 216.00 yen in Tokyo, slightly up from 215.75. (Reuters, UPI)

Subroto Says OPEC Must Guard Output

By Bob Hagerty

International Herald Tribune

LONDON — The Organization of Petroleum Exporting Countries should seek to avoid a further drop in its production rather than trying to defend a rigid official price structure, Indonesia's oil minister, Subroto, said here Thursday.

Mr. Subroto suggested that the 13 OPEC countries continue to produce about 16 million barrels a day, their current self-imposed ceiling. Instead of fixing official prices for each grade of crude, he said, OPEC might establish a range.

The Indonesian minister, who also serves as president of OPEC, made the remarks at a conference sponsored by the International Herald Tribune and the Oil Daily and in an interview afterwards.

He said his proposal and others would be discussed at an OPEC meeting scheduled for Dec. 7 in Geneva. OPEC's output has been falling over the past five years as demand has fallen and producers outside the organization, notably Britain, Norway, the Soviet Union and Mexico, have increased production. OPEC's share of oil sales in the non-communist countries has slid to about a third from two-thirds in the late 1970s.

Mr. Subroto and some other OPEC ministers fear that their countries will continue to lose market share if they try to hold their prices above free-market levels, which fluctuate daily. Saudi Arabia, OPEC's biggest producer and previously the most faithful in upholding official prices, recently started offering market-related prices.

Mr. Subroto called the new Saudi policy a warning to all oil producers that "what others can do, the Saudis can do better." Unless non-OPEC producers join the organization in restraining their output, he warned, oil prices could plunge.

Though OPEC has made such warnings repeatedly, most non-OPEC producers have refused to reduce production. Norway's energy minister predicted Wednesday that his country's output would rise about 40 percent by 1990.

Britain

Gallagher

3rd Quarter

Revenue

Net Inc.

Per Share

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Tudor Shuts Out Royals, Giving Cardinals 3-1 Lead in World Series

Landrum and White: Flashes of Fame, Years of Competence



Tino Landrum was greeted by Cesar Cedeno after getting Cardinals' first hit in game, a home run in second inning.

By Ken Denlinger
Washington Post Service
ST. LOUIS, Mo. — Tino Landrum, St. Louis Cardinals: "I never dreamed I'd be playing as big a role as I am now."
Frank White, Kansas City Royals: "The game sometimes can get you frustrated."

ST. LOUIS — They share the virtues that would be etched deeply if baseball, like its bats, had a trademark. They are separated by the experiences that make baseball close to unique among sports.

For the day-to-day competence that makes a career satisfying, Tino Landrum might wish he were Frank White; for the brief and stunning moments that make a career complete, Frank White might like to be Tino Landrum.

In Landrum's four-plus seasons in the majors, he has only a few more at bats than White usually gets in one season. Yet Landrum seems destined for his third World Series ring, perhaps as most valuable player.

Landrum's luck is to be with the proper team at the proper moment of the proper season, then to be able to hit a ball to win a game or to throw it into the catcher's mitt from afar to save another.

As part of one of those curious baseball trades friends make with friends, Landrum found himself with Baltimore for the final month of the 1983 season.

He batted 53 times for the Orioles but won the American League pennant for them with a 10th-inning homer off Britt Burns in Game 4 of the league playoff with the Chicago White Sox.

That was a season after Landrum was a part of the Cardinals team that won the World Series, though he was promoted from the minor leagues too late for any of the playoffs.

Last week Landrum happened to be standing out of harm's way when Willie Mays was not. Because of that bizarre bout with the mechanical tarpaulin in Busch Stadium, Coleman will miss the World Series.

And one of the St. Louis stars has been Coleman's caddy, Terry Lee Landrum, who is called Tino because of his resemblance to one of the Jackson Five of pop music fame.

In six National League playoff games, Landrum was 6 for 14, with 2 runs scored, 4 batted in and a stolen base; in four World Series games he is 6 for 15, with 3 runs scored, a home run and an important assist from left.

Perhaps the baseball gods whisper to Landrum: "For a lot of reasons, you haven't gotten to play as much as your talent merits. We're hoping this makes up for the down times."

Landrum senses something extraordinary. "I'm blessed," he said. "Yes." The tip-of-the-bat double that continued the Cardinals' ninth-inning rally for victory in Game 2 on Sunday was as homey as they come, staying fair by a foot or so.

Landrum's throw to nip Buddy Biancalana at the plate in the seventh had been on a considerably tighter line.

Correctly, Landrum had thought his postseason role would be watching, with maybe some pinch-hitting and time in the outfield for defense.

An uncommon amount of good fortune allowed Landrum to rise to the big leagues at all. As he intervened in a domestic squabble nine years ago, his right elbow went through a plate-glass window.

"It severed all the muscles under my right arm," he recalled. "My life passed in front of me. I asked the doctor if he could repair my arm so that I could throw again, and he said he could. As I said, I've been blessed from day one."



John Tudor, the ace of the Cardinals' pitching staff, dealt the Royals a five-hit, 3-0 setback. His 11th shutout this season put St. Louis one game away from winning the World Series.

Landrum, McGee Homer in 3-0 Victory

By Joseph Durso
New York Times Service
ST. LOUIS — John Tudor, the precise left-hander who pitched 10 shutouts this season, pitched another Wednesday night. It was a five-hit, 3-0 victory over the Kansas City Royals that moved the St. Louis Cardinals within one victory of winning their second World Series in four seasons.

Tudor's second triumph of the Series was generated by two creative shots on offense: a home run in the second inning by Tino Landrum, the supersub for the injured Vince Coleman, and a home run in the third inning by Willie McGee. It was spiced by one daring stroke of strategy by the Cardinals' manager, Whitey Herzog: a squeeze bunt by Tom Nieto on a 3-and-2 count in the fifth inning.

The Cardinals can win the championship Thursday night in Busch Stadium with their senior man pitching, 36-year-old Bob Forsch, a late replacement for Danny Cox and his tender elbow. The Royals will start Danny Jackson and hope that lightning will strike again. They were down 3 games to 1 to the Toronto Blue Jays in the American League playoff but swept the next three and won the pennant.

"I wish we could do it some other way," said Dan Quisenberry, the Royals' ace relief pitcher and family wit. "But we've done it this way all year, so what's new? If we're going to win it, I guess this would be an appropriate way to end the season."

It would be hard to pitch any better than Tudor did this season, his first with the Cardinals after being traded from the Pittsburgh Pirates. He lost seven of his first eight decisions, then made a sensational comeback starting on Memorial Day, winning 23 of his next 25 decisions. The only team that beat him was the Los Angeles Dodgers, twice: on July 20, and on Oct. 9 in the playoff.

His relations with the Royals also have improved dramatically. When he was pitching for the Boston Red Sox, he won two games and lost five against Kansas City. With the Cardinals, he is 2-0 against his sometime tormentors. He beat the Royals, 3-1, in Saturday's opening game of the Series. And he beat them again Wednesday night by throwing just 106 pitches: 78 for strikes, 8 for three strikes and 5 that were hit for singles.

"It was one of those games where everything worked for me," he said. "It's a fact of life: I have to keep people off stride. If they sit on my fast ball, they'll kill me."

It appeared to be a pitching mismatch at the start, and it was. Tudor, who won 21 games and lost 8 in the regular season, was opposed by the left-handed Bud Black, who won 10 and lost 15. And after five innings, Black was gone and Tudor was buzzing along with a 3-0 lead.

The Cardinals were hitting only .198 in the Series when Landrum fired the first shot, in the second inning. Black had struck out Jack Clark, then went to 3 and 2 on Landrum, a right-handed hitter. He drove the next pitch down the

right-field line, where the ball slipped over the fence not far from the foul pole.

It was the Cardinals' first home run of the Series and the first off the Royals' pitchers in 68 innings, going back to the American League playoff. But it gave Landrum 12 hits in 27 at bats, an average of .462 since he got into the lineup the night Coleman's leg was caught under the rolling tarpaulin, ending his rookie season with a bone chip on the left knee.

In the third, Tudor bunted into a double play and the inning appeared to be over as Black went to one ball and two strikes on McGee. Then he threw a slider that McGee golfed far beyond the fence in left field. The Cardinals led by two.

They went to the fifth and Herzog went to his strategy. With one

Say Hey, Willie Mays, Is That a Series Fact?

The World You Believe In
Department: Willie Mays, whose 666 home runs in the major leagues help put him in the hall of fame, played in four World Series and never hit a homer. He does hold one Series record: most double plays grounded into, one game; he hit into three in the 1951 Series for the New York Giants. (LAT)

out, Terry Pendleton shot a hard grounder into left-center, where the ball carried to the wall for a triple.

Up came Nieto, the reserve catcher making his World Series debut as a substitute for the left-handed hitting Darrell Porter. The infield played in tight, sensing a squeeze bunt. They got it on the first pitch, but the ball curled foul.

The infield stayed close, and the count rose to 3 and 2. Then Herzog did it again: Nieto bunted back to the mound as Pendleton raced in from third. Black fielded the ball and fired home, where the ball and the runner arrived almost simultaneously. But the throw was to the left of the plate and got past catcher Jim Sundberg as Pendleton scored.

Now the Cardinals led by 3-0, with Tudor pitching one of his classics.

"It wasn't much of a gamble," Herzog said with an air of innocence. "He's a good bunter. And they stopped thinking a squeeze on 3 and 2."

The Royals' one good shot at Tudor came in the seventh. George Brett opened with a single, Frank White flied out to deep center and Sundberg singled. Tudor got Darrell Motley on a fly to left, but walked Steve Balboni and the Royals had the bases loaded.

Hal McRae, customarily the designated hitter, pinch-hit for Buddy Biancalana. Herzog, after considering a switch to Todd Worrell, let Tudor solve the problem.

He did, on one pitch. McRae bounced the ball to third base, where Pendleton grabbed it and beat Brett to the bag. The Royals were gone.

SCOREBOARD

Baseball

World Series: Game 4
St. Louis Cardinals 3, Kansas City Royals 0
Tudor (11-1) pitched 7 innings, 3 hits, 3 runs, 0 errors, 10 strikeouts.
Landrum (12-27) hit 2 runs, 2 RBIs, 12 hits in 27 at bats.
McGee (10-15) hit 1 run, 1 RBI, 10 hits in 15 at bats.

Transition

Baseball
National League
St. Louis Cardinals 3, Kansas City Royals 0
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Landrum (12-27) hit 2 runs, 2 RBIs, 12 hits in 27 at bats.
McGee (10-15) hit 1 run, 1 RBI, 10 hits in 15 at bats.

World Series Schedule

Game 1: Oct. 17, St. Louis 3, Kansas City 1
Game 2: Oct. 18, St. Louis 3, Kansas City 0
Game 3: Oct. 19, St. Louis 3, Kansas City 0
Game 4: Oct. 20, St. Louis 3, Kansas City 0
Game 5: Oct. 21, St. Louis 3, Kansas City 0
Game 6: Oct. 22, St. Louis 3, Kansas City 0
Game 7: Oct. 23, St. Louis 3, Kansas City 0
Game 8: Oct. 24, St. Louis 3, Kansas City 0
Game 9: Oct. 25, St. Louis 3, Kansas City 0
Game 10: Oct. 26, St. Louis 3, Kansas City 0
Game 11: Oct. 27, St. Louis 3, Kansas City 0
Game 12: Oct. 28, St. Louis 3, Kansas City 0
Game 13: Oct. 29, St. Louis 3, Kansas City 0
Game 14: Oct. 30, St. Louis 3, Kansas City 0
Game 15: Oct. 31, St. Louis 3, Kansas City 0

Soccer

Champions Cup
St. Louis Cardinals 3, Kansas City Royals 0
Tudor (11-1) pitched 7 innings, 3 hits, 3 runs, 0 errors, 10 strikeouts.
Landrum (12-27) hit 2 runs, 2 RBIs, 12 hits in 27 at bats.
McGee (10-15) hit 1 run, 1 RBI, 10 hits in 15 at bats.

Hockey

NHL Standings
Wales Conference
Philadelphia 2, New York 1, Washington 1, NY Islanders 1, Pittsburgh 1
Adams Division
Quebec 7, Boston 6, Hartford 4, Montreal 3
Campbell Conference
St. Louis 3, Minnesota 2, Chicago 2, Toronto 1, Detroit 1
Smythe Division
Edmonton 4, Vancouver 3, Winnipeg 3, Calgary 3, Los Angeles 1
West Division
Vancouver 1, Detroit 1, St. Louis 1, Minnesota 1, Chicago 1, Toronto 1, Detroit 1

New York Gets Its Own Arms Race

NEW YORK — Runners competing in Sunday's New York Marathon will face some unusual competition: five Gurkha soldiers. The Gurkhas, sturdy Nepalese mountain men, have served in the British Army since the mid-19th century, and have fought enemies of the empire from Afghanistan to the Falkland Islands. Sunday's entrants have competed annually in a race near the China border, running up and down a 1,700-foot (518-meter) mountain. The grueling event originated in the 1800s when the Gurkhas fought Pathan tribesmen on India's mountainous Northwest Frontier. While the main body of troops marched through a valley, picket parties of eight men would run along the high ground to oust snipers, then race the rival party on the other side of the valley. Which sounds like perfect practice for Central Park.

Oilers' Vaunted Offense Backfires Against Jets

WINNIPEG, Manitoba — In two games the Winnipeg Jets have served notice they will be neither intimidated nor outscored by their two toughest rivals in the Smythe Division of the National Hockey League. Winnipeg took on the league's most celebrated offense Wednesday night and beat it at its own game, crushing the Edmonton Oilers, 9-3. The rout, inspired by left wing Perry Turnbull's three goals, complemented Sunday's 8-5 drubbing of the Calgary Flames. Elsewhere, the New York Rangers beat New Jersey, 5-1; Vancouver beat Detroit, 5-0; Montreal escaped Buffalo, 5-4; Minnesota and St. Louis tied, 4-4; Chicago routed Hartford, 9-2; and Calgary beat Washington, 4-2. "I think Winnipeg is a great hockey team," said the Oilers' coach, Glen Sather. "I said the last time we played that these are the best two teams in the league. I guess tonight wasn't a great night in the chapter of the Edmonton Oilers. We didn't play with the kind of intensity and enthusiasm we tend to play with." If Sather was lamenting, Winnipeg's coach, Barry Long, was pleased. "We just capitalized on their mistakes, something that they normally do to us," Long said. "We forechecked well, broke up a lot of their plays at their blue line and put the puck in the net when we got our opportunities." Turnbull had numerous chances to fatten his point total, and the score would have been even more lopsided had he scored on them all. Seven games into the season, he has five goals and three assists. "I missed on a couple of pretty good chances," he said, adding, "I guess I was lucky tonight. Even a blind hog would find an acorn." Scored twice as the Jets made a smooth transition from aggressive forechecking in the first period to all-out offense later in the game. The Jets' fourth victory this season, coupled with Vancouver's 5-0 defeat of the struggling Detroit Red Wings, put Winnipeg in second place in the Smythe Division.

SPORTS BRIEFS

Bass Wins Japanese Baseball Crown

TOKYO (AP) — Randy Bass became the second American player to win Japanese baseball's triple crown Thursday, but he ended up one short of the home run record as he walked four times during the game in which his Hanshin Tigers, the Central League champions, beat the Yomiuri Giants, 10-2. The Giants' manager, Sadaharu Oh, set the home run record in a 140-game season in 1964. The Japanese season now is 130 games. Spectators booed as Yomiuri pitchers each time walked Bass on four straight pitches. He singled his only other at bat. With an average of .350, 134 runs batted in and 54 homers, Bass, 31, who formerly played with the Texas Rangers and the Minnesota Twins, became the sixth player to win the triple crown, and the first in the Central League since Oh 11 years ago. Greg Wells of the Hankyu Braves, a former Minnesota Twin, last year became the first American to win it.

McEnroe Plans Dinner, Feeds Rumor

PARIS (AP) — Tennis star John McEnroe has asked a French chef to prepare a special 30-place dinner in mid-November in southern California, leading to speculation it will be to celebrate his marriage to the actress Trish O'Neil. Between this year's French Open and Wimbledon tournaments, McEnroe and O'Neil reportedly stayed for two days at the Moulin du Roc hotel in Champagne-de-Beaurivage, Thursday, one of the owners of the hotel said that McEnroe had asked him to plan for the dinner in Malibu, California, but did not tell him why the dinner was planned.

For the Record

Gary Brumages and crewman Greg Gardiner defeated the defending champions, Desha Blatchford and Tom Woods, to give Australia a 1-2 finish in the 505-class World Yachting Championships near Tokyo. The British yacht was third, the U.S. entry fifth.

Quotable

Coach Bum Phillips of the NFL's New Orleans Saints after passing a physical examination: "I'll drop dead tomorrow, at least I'll know I died in good health."

Breeders' Cup Catches Europe's Eye

Top Thoroughbreds Being Sent to U.S. for Rich Turf Races

By Andrew Beyer
Washington Post Service
WASHINGTON — Horse racing people on both sides of the Atlantic have been fond of criticizing the Breeders' Cup, but when entries for the Nov. 2 event were announced this week, it was clear: the Breeders' Cup, in its second year, is becoming a true international championship series of races. The one-day series consists of seven races, one worth \$3 million, one worth \$2 million and the other five offering purses of \$1 million each. Almost all of the top European stables are sending top horses to the United States for the \$2 million turf race at one and one-half miles and the \$1 million mile race on the grass at Aqueduct in New York. Although they traditionally have been reluctant to jeopardize the reputations of well-established stars, European horsemen had to be encouraged by the 1984 victory of Lashkari — who had been something of a second-rate horse in France — in the rich Breeders' Cup Classic. Numerous first-stringers are coming this year. Pebbles, Sheikh Mohammed al Maktoum's brilliant 4-year-old filly, who beat colts in two Grade 1 English stakes this year, heads a contingent of six Europeans in the 14-horse lineup for the Breeders' Cup Turf. Roussillon, a French-trained colt owned by Prince Khalid Abdullah, might be a standout in the Breeders' Cup Mile. The winner of four graded stakes, he is considered the best miler on the continent. The two turf races, with their strong international flavor, actually look more interesting than the nominal centerpiece of the program, the \$3 million Breeders' Cup Classic. That race has drawn a field of nine, but it essentially is another rematch of the horses who took turns beating each other in New York's major stakes this fall: Chief of Crown, Gate Dancer, Track Barron and Vanlandingham. The Loblolly Stable had to pay a \$600,000 fee to make its colt, Vanlandingham, a supplementary

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OBSERVER

Alphabetic Confusion

By Russell Baker

NEW YORK—Our house current is AC, not DC, but with the AC we can get both AM and FM on the radio. The radio also works without the AC if you put in D batteries. The TV is different. First you plug the TV into the AC and it gives you the VHF. Sometimes you get the UHF, too. The VHF brings you ABC, CBS and NBC, but unless you live in a big city you probably can't get PBS without UHF.

With the VHF bringing you ABC, CBS and NBC, you learn a lot about GE, GM, IBM and TRW. Also, of course you can find out what's happening with the USSR, the AFL-CIO, the UN, the UAW, the OAS, NATO, NASA and the Oakland A's.

That's all right, but for a little more variety you need CATV, which you can also supplement with a VCR. With a VCR you can enjoy the best from LA without interruption.

What's more, you can have your choice of G, PG, PG-13, R or X.

The VCR comes in two alphabets: VHS, which is English, or Beta, which is Greek as in Phi Beta Kappa.

The VCR at our house is VHS. I installed it myself by detaching the CATV wire from the TV and attaching it to the VCR at the VHF receptacle, then running a VCR wire from the other VHF receptacle to the TV.

It sounds easier than it is, but never mind because everything came out OK. As soon as I plugged the whole tangle of wires into the old AC, we were able to see an uninterrupted movie about space people who said, "A-OK."

The movie was just B-O-K. It included newsreel film of JFK but had an actor playing LBJ as a clown with a white. Another actor played Ike, who was never known as DDE, though he initiated his papers "DDE." Neither HST nor FDR appeared in old newsreel film or courtesy of professional actors.

It was a PG but would be an MTL if the movie industry expanded its alphabetic horizon to provide for such practical information as MTL (much too long), EOP (egregiously overpriced) and ODODE (outrageous display of directorial ego).

Alphabet aficionados, incidentally, are not called AA. A normal percentage joins AA, of course, just as a normal percentage joins AAA. I am not an alphabet aficionado, but it's hard for anybody to understand anything that's said anymore without first mastering alphabetic English.

If you doubt it, try to imagine Thomas Jefferson sitting around in his BVDs minding his P's and Q's while reading a communication from the VFW about scandalous doings in the VA.

Imagine George Washington being told that by adding CATV to his TV he will be able to escape all those BBD&O commercials, and also to pick up a lot more of the NFL, NBA and NHL than he can get on his standard VHF hookup.

The trend that is reducing English to an alphabetic breeze seems fairly modern. There are two possible explanations.

One is that expansive technology, science and government have overloaded the language with so many big, hard-to-remember, hard-to-pronounce words that the substitution of a shorthand language is inevitable.

Who wants to spend all night pronouncing "Deoxyribonucleic acid" when you can say "DNA" and get home to bed? Who wants to wait for somebody to say "ultra high frequency" when "UHF" is so temptingly available? Does anybody even know what OSHA stands for?

So maybe the spread of alphabet English is a desperate makeshift attempt to keep communication open when the increasingly incomprehensible nature of formal English threatens to shut it down. The other possibility is that there is a mischievous impulse afoot among the eggheads, who create most of this alphabet talk, to resist the calcification of the language by keeping it as breezy as a tabloid headline.

Whatever the explanation, the old mother tongue is anything but A-OK and getting murkier every day. Yet, with the right maps and a little luck, you can still use it to get a VCR humming without electrocuting yourself.

New York Times Service

Edwin Reischauer's 'Rice Paddies' Net

By Michael Kernan

WASHINGTON—Edwin O. Reischauer has been so deeply involved with Japan in so many ways for so many years that what amounts to an old boy network has arisen around him.

Most of it seemed to be on hand recently to celebrate his 75th birthday by opening the Edwin O. Reischauer Center for East Asian Studies at the Johns Hopkins University School of Advanced International Studies here. The center on Massachusetts Avenue has been operating for more than a year, but it became official with a symposium on U.S. relations with Japan.

Reischauer, who has been called one of the best ambassadors the United States ever had, went to Japan in 1961, just after the Eisenhower administration and the helicopter escape of press secretary James Hagerty from a Tokyo mob. When the ambassador left in 1966, the situation had been turned completely around.

The scholar-diplomat flew in from his home in Belmont, Massachusetts, with his wife, the former Haru Matsukata, to be feted by Fulbrights and Achesons, Rockefeller and Mondaks, Kennedys and Kemans. They were just a few of the thousands, including the Harvard undergraduates who took the Eisenhower administration and the helicopter escape of press secretary James Hagerty from a Tokyo mob. When the ambassador left in 1966, the situation had been turned completely around.

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men in the war. Reischauer explained very quietly that our bases wouldn't be worth a damn because the surrounding population would make them unlivable. There'd be a lot of hostility in a crisis, people lying down on the runways and all that. Somehow he talked them into it without loss of face.

In 1969 President Richard M. Nixon signed an agreement with the Japanese under which the United States would keep its Okinawa bases, but without nuclear weapons. The island formally reverted to Japan in 1972.

Though of course there have been periods and regimes that did not welcome Reischauer's strong and definite opinions, it would be virtually impossible today to deal with Japan academically or politically without feeling his influence. "No way could you avoid it, even if you didn't study him," commented Professor Nathaniel B. Thayer, director of East Asian studies at SAIS, another veteran of the Tokyo embassy days at Harvard. "He was one of the few who were able to marry successful academic and public careers. He was in and out of the government all his life: in the war, as ambassador and later on a lot of temporary assignments."

Thayer places the Reischauer network in three general groups: the Harvard undergraduates who took his "Rice Paddies," those who also took various history and government classes with him, and the graduate students. "Sooner or later everybody goes to Harvard for some reason," Thayer said, "if you were interested in Japan you saw Reischauer." The essential Reischauer message, he added, is this: "Never never never anything but wildly optimistic about Japan, about its capabilities, about what's going to happen next. And remember that our two countries are very close."

Reischauer's greatest achievement, perhaps, was to persuade the U.S. military to give up jurisdiction over Okinawa, Packard said. "The military was pledged never to let go of the island, where they had lost so many

Reischauer himself says he had three basic goals in his teaching: to make his students aware that they really needed to know more about the Far East ("that was enough of a goal for the first quarter century"); to establish a world system built on international cooperation; to find ways to expand this system to the other two-thirds of the world.

When President John F. Kennedy called on him in 1961, he says, "the job had never remotely occurred to me. I was a specialist in the nineteenth century, on the travels of a Japanese monk named Ennin in T'ang China. My wife was horrified. But I saw I was being asked to put on or shut up, after I'd been telling everybody what was wrong in Southeast Asia. I started out with great trepidation."

He shouldn't have been too astounded. He was born in Tokyo to missionary parents, soon became fluent in Asian languages, and by Kennedy's time was widely known as a pioneer in introducing East Asia to Americans. His students fanned out over the United States, spreading his influence throughout academia and beyond to the political world.

As ambassador, one thing he realized that most Americans did not was that Japan, for all its reputation as a feudal state, had been learning democracy since 1880, when elections were first held there. Its first parliament was decreed in 1889. Furthermore, feudalism had long since developed into a government by committee under figurehead leaders, preparing the people for action by group decision.

As for the much-discussed social hierarchy of Japan, "the country is light-years ahead of Britain as to class. It's virtually a classless society. Even the United States has a vastly more dictatorial society than they. Oh yes, they do honor the elderly—which I'm beginning to think is a pretty good idea."

He sees no reason for Americans to panic over today's economic differences with Japan. "It's not remotely like what it was before the war. What we see now is nothing more than friction between two highly developed and integrated economies."

As the Japanese population grows older, the increasingly independent-minded young are not exactly rushing to fill their jobs on the assembly lines or re-entreat their conformist lives, he says. As a result, Japan will not put as much pressure on the world economy in the future. "They're still not really ready to join the world. They still feel themselves very separate. They realize it intellectually, but they still need to make that step."

When they do, he predicts, East and West will form what he calls the First World. "And it will only be a First World because Japan is in it."

"If I had time for a third career," Reischauer says, "it would be to help spread this out beyond the limits of race and culture to become a one-world concept. The great partnership of America and Japan is the model."

Geldof Blasts EC 'Waste'

Bob Geldof, organizer of the Live Aid concert, roundly criticized the European Community on Wednesday, Geldof, just returned from a 12-day trip to famine-stricken regions of Africa, told a meeting of members of the European Parliament in Strasbourg, France, that it was "preposterous" that the community was "wallowing" in mountains of surplus food, while people in the Sahel region were dying of hunger. "The disgusting and persistent anomaly of the grain mountain, the wheat mountain, the butter mountain and the wine lake," he said, is the result "of one of the crowning idiocies of the EC, and that's the Common Agricultural Policy."

He attacked the community as a "thing of the past," calling it a vast bureaucracy designed to protect the national interests of its members. "This place needs a laxative" to relieve it of its "chronic bureaucracy," Geldof said. Willy de Clercq, the European Commissioner responsible for external relations, defended the farm policy, saying that without it there would not be surplus food to be given to African countries. In reply to Geldof's proposal that the EC create a 10-member crisis task force to deal with famine, de Clercq said the commission already had a famine relief team of a director and four staff who operate independently of the bureaucracy.

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Michael Caine, 52, who Wednesday began filming "The Whistle Blower," a \$3.5-million political intrigue thriller in London with Sir John Gielgud, says he is homesick for Britain and will move back there in two years' time. The actor, who was born in London, has bought a 300-year-old farmhouse in the village of North Stoke, northwest of London. He is having it renovated and says it will become his permanent home when he leaves the United States.

Walter Polovchak, the youth who triggered a long court battle by refusing to return to the Soviet Union with his parents, has registered with the Selective Service System. Polovchak, who became a U.S. citizen on Oct. 8, five days after his 18th birthday, signed up Wednesday at a post office, saying he would serve in the military if necessary, but "right now, I have to think about continuing my education."

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